STATE OF MICHIGAN

STATE BOUNDARY COMMISSION

PUBLIC HEARING

Thursday, March 29, 2007 at 4:00 p.m.

Zemmer Junior High School

1920 Oregon Road, Lapeer, Michigan 48446

Docket Number 06-AP-2

The State Boundary Commission will conduct a public hearing on THE PROPOSED ANNEXATION OF CERTAIN TERRITORY

IN ELBA TOWNSHIP TO THE CITY OF LAPEER

KENNETH VERBURG

State Boundary Commission Chairperson

RUTH ANN JAMNICK

State Commissioner

CAMERON PRIEBE

State Commissioner

TED COLLOM

Local Commissioner

TOM LUPO

Local Commissioner

CHRISTINE HOLMES

Boundary Commission Manager

TRANSCRIBED BY:

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APR 17 2007

STATE BOUNDARY COMMISSION

TABLE OF CONTENTS

	PAGE
Opening Comments from State Boundary Commissioner VerBurg	3
COMMENTS FROM PETITIONERS	
Gary Howell Jim Harrington Peter Whitman Richard Menzing Gary Howell	11 16 17 19 20
COMMENTS FROM CITY OF LAPEER	
Dale Kerbyson	21
COMMENTS FROM ELBA TOWNSHIP	
Michael Gildner John Kosiara Brenda Johnson	31 40 42
REBUTTAL COMMENTS	
Gary Howell Jim Harrington Gary Howell Michael Gildner Brenda Johnson Dale Kerbyson	43 45 46 49 50 51
COMMENTS FROM PUBLIC	
Eric Bindig Harold Green Anita King Diana Menzing Ron Montgomery Carole Poulin Michael Kelly Troy Wolfe Michael Hodges Eileen Purdy Brad Johnson Kim McComb	56 57 58 59 60 61 64 65 66 68 69 70

1	Lapeer, Michigan
2	Thursday, March 29, 2007
3	At 4:00 p.m.
4	CHAIRPERSON VERBURG: Good afternoon, ladies and
5	gentlemen. Can you hear me all right?
6	UNIDENTIFIED SPEAKER: Try it again.
7	CHAIRPERSON VERBURG: Can you hear me okay now? That's
8	not too bad.
9	Good afternoon. My name is Ken VerBurg and I chair this
10	Commission. Now is the time set for a public hearing on the
11	Mayfield Township in Mayfield Township, I'm sorry, on
12	Docket 06-AP-2, which is a petition proposing the annexation
13	UNIDENTIFIED SPEAKER: This should pick it up, but
14	CHAIRPERSON VERBURG: Okay. Now is the time set for a
15	public hearing in Mayfield Township on Docket 06-AP-2, which
16	is a petition proposing the Annexation of Certain Territory in
17	Elba Township to the City of Lapeer.
18	UNIDENTIFIED SPEAKER: I'm sorry. It's fine. It should
19	pick it up.
20	CHAIRPERSON VERBURG: I'll say it one more time. How is
21	that? Can you hear me now?
22	UNIDENTIFIED SPEAKER: No.
23	CHAIRPERSON VERBURG: All right. How is this? Is that a
24	little better? Can you hear me now?
25	UNIDENTIFIED SPEAKER: Yes.

CHAIRPERSON VERBURG: Okay. I'd like to call the roll. State Com. Ruth Ann Jamnick on my right.

STATE COM. JAMNICK: Present.

CHAIRPERSON VERBURG: And State Com. Cameron Priebe on my left.

STATE COM. PRIEBE: Present.

CHAIRPERSON VERBURG: And then we have two local commissioners that have been appointed by the probate judge to hear the cases in this account. Ted Collom.

LOCAL COM. COLLOM: Present.

CHAIRPERSON VERBURG: And Tom Lupo.

LOCAL COM. LUPO: Present.

CHAIRPERSON VERBURG: And if I didn't say earlier, my name is Ken VerBurg. I'll try to chair this meeting today. We wish everyone—to assure everyone that all Boundary commissioners will receive copies of the written transcript, as well as all correspondence and evidence related to this public hearing so that they will have the opportunity to be informed of this proceeding. Also with us today is Ms. Christine Holmes, who is the Boundary Commission manager.

Today's public hearing is being held in compliance with the State Boundary Commission Act and Rules. This petition for the proposed annexation was filed with the State Boundary Commission on April 3, 2006. The Petitioners are identified as Mr. Peter Whitman, Mr. James Harrington and Mr. Richard

Menzing, on behalf of the Faith Christian Family Church of Lapeer.

At a regular Commission meeting held in Lansing on July 27, 2006, the Boundary Commission approved the legal sufficiency of this petition. At the same time, the Commission unanimously voted to consider expanding the area proposed for annexation, but only for the purpose of the public hearing and receiving comments from the affected property owners at this public hearing. And that would be as to whether they wish to be included in the proposed territory to be annexed should the Commission vote to do so.

All property owners in the proposed expanded area and within 300 feet of the property petitioned for annexation received individual notice of this public hearing so that they could have the opportunity to comment to the Commission.

I'll call on Ms. Holmes right now and ask her if she has any remarks that she'd like to make at this time.

MGR. HOLMES: First of all, I had a little purple folder-- I had a little purple folder; has anybody seen it? I might've left it on the back table there. Would you pass it up, please.

If I could have the Petitioners sitting [inaudible] responding to something in there. That's on the back table.

As you came in the door there's a green--bright green sign-in sheet. If you signed it, it's to speak. If you signed it and

change your mind, you can pass when the chairman calls on you. And if you didn't sign it, you can add your name. The chairman will be calling all the names on the list. So [inaudible] want to talk, just raise your hand, identify your name. And then you can come up and sign when you're done talking.

And then just so you're clear, there's sheets on the sign-in table that gives information for the Thursday hearing. And the public comment period stays open for 30 days after today. There's public information. And in case you don't wish to speak, you can e-mail, you can fax or use our mailing address. You can send it by U.S. Mail. It has to be postmarked by the deadline period or received by [inaudible] 30 days. The public comment period will be made part of the record. And if there's any questions, our office number is at the very bottom. Give us a call at our office. Thank you.

CHAIRPERSON VERBURG: I'd like now to very briefly explain the procedure by which this public hearing will be held. Everyone present who wishes to make remarks to the Commission will have an opportunity to do that.

The first portion of this public hearing is reserved for presentations by the directly involved parties. They are the Petitioners, the City of Lapeer and Elba Township. Those who intend to speak for these involved parties have signed their names on the designated sign-it sheet, right? Each involved

party is allotted up to 20 minutes in which they may make any comments and/or a presentation to the Commission.

And immediately following those 30--I'm sorry, the 20-minute sessions, the involved parties will be allotted 10 minutes each in which to present any rebuttal remarks to the Commission. This--they're not required to make those rebuttal remarks, but it gives the option if they choose to avail themselves of this opportunity. And I'd also like you to note the time allotted for presentation and rebuttal are maximum times. And if you can't do it, feel free to sit down.

The second part of this public hearing is the time when the general public will be invited to step forward and address the Commission. And the way to do that, right behind the township table here is a--this microphone. And she's going to hand it to you. And when your time is up, then she's gonna take it away from you. That's--that's the deal we made before today. I think you get three minutes or something like that. That will--that will help you make your comments that you need to make to the Commission. It will also depend on how many people signed up to speak.

We ask that any members of the general public who do wish to speak and have not yet signed their name on the sign-in sheet, to please do so, so you can call--we can call your name at the appropriate time. Sign-in sheets are still available on the table in the back, aren't they, Christine?

MGR. HOLMES: Yes, they are.

CHAIRPERSON VERBURG: All right. Then the third part will be a time when the Commission—the Commission has the opportunity to ask any questions they have of the speakers. I'd like you to keep in mind that all remarks are to be addressed to the Commission. And no decision or vote on this proposition for proposed annexation or on the proposed expanded area will be made by the Commission today. The purpose of this public hearing is only for the Commission to receive input from the interested parties.

I would like to reiterate that the opportunity for the public to submit written comments to the Commission on this docket will remain open for 30 days, as Ms. Holmes has indicated. And so if you have a—if you have a letter or if you have other comments that you'd like to deal with [inaudible] heard at the public hearing, we'd be delighted to get your material. The deadline for submitting that will be April 30. So if you wanna get it in, you have to have it postmarked by that time.

Once again, the orange sheets are available on the--on the sign-in table. They provide all the necessary instructions for submitting written correspondence during the 30-day period. Within two--two months after the closing of the 30-day public comment period, all material received at this public hearing and during the 30-day period will be

compiled, indexed and mailed to designated representatives of the involved parties.

The cover letter provided with that mailing package will specify the seven-day rebuttal period, during which time the Petitioner and the Township will have an opportunity to submit any written rebuttal comments or other evidence to the Commission regarding material received at the public hearing and during the 30-day period.

Material submitted or testimony received after the 30-day period will not be part of the record, except for the rebuttal period--rebuttal material received during the seven-day period.

Now we have several other issues in the public hearing. We have—we talked about you having an opportunity to make a presentation and rebuttal if you wish. Then we have the 30-day material that you can write and send into us. Then after we get that circulated, you have a seven-day period, during which time you may write any additional comments. So I think there's plenty of opportunity for you to make your comments.

The first Commission meeting will involve consideration on the reasonableness of the proposed annexation based on the criteria established in Section 9 of the Boundary Commission Act, Public Act 191 of 1968, as amended. This will meeting will entail a deliberation on the record. And the Commission

will determine a recommendation on whether this proposed annexation will be approved or denied.

At a subsequent meeting the Commission will adopt a formal summary of proceedings, findings of fact and conditions—or conclusions of law which will incorporate the Commission's recommendation of either approval or denial.

Then a final order, which will be accompanied by the summary of the proceedings, findings of fact and conclusions of law will then be transmitted to the director of the Department of Labor and Economic Development for his signature. This order will become effective on the date of the director's signature.

Now, I'd like to proceed with our public hearing here. I wish to emphasize that all speakers, that in order for the commissioners and the staff and all here present to hear your comments, please stand close to the microphone and speak loudly, clearly and directly into it. Also, please be sure to face the Commission, which is where your remarks are to be addressed. Also, please be sure to clearly state your name and indicate your—the interest you represent.

I'd like to now call on--I'd like to call on the involved parties to make their presentations and comments to the Commission. Please remember to stay within the 20-minute maximum allotted time. And we'll call first on the Petitioners, then the City of Lapeer and then Elba Township.

1 And then we'll go to the rebuttal period. So let's call first 2 on the Petitioner. And would that be Peter Whitman? 3 MR. HOWELL: Gary Howell. 4 CHAIRPERSON VERBURG: Oh, I'm sorry. Okay. Gary Howell 5 is representing the Petitioner. MR. HOWELL: Yeah. Well, see if the microphone system 6 7 works adequately. Can you--can the Commission hear okay? CHAIRPERSON VERBURG: I can hear you. 8 9 MR. HOWELL: Okay. 10 CHAIRPERSON VERBURG: Any--any problem back there? MR. HOWELL: Can everybody hear okay? 11 12 UNIDENTIFIED SPEAKER: [inaudible] 13 MR. HOWELL: I'm going to tell you in just a second. 14 CHAIRPERSON VERBURG: Okay. He's representing the 15 Petitioner. 16 MR. HOWELL: Okay. 17 CHAIRPERSON VERBURG: Gary Howell. MR. HOWELL: All right. Okay. As long as you can hear 18 me, that's all that matters. Right, and that's what I'm going 19 20 to do. 21 CHAIRPERSON VERBURG: You can stand or sit, if you'd like. 22 23 MR. HOWELL: Thank you. My name is Gary Howell. I am 24 the attorney for the Petitioner in this matter. We have three 25 Petitioners. They're here at the table with me today. Mr.

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Peter Whitman on the end. James Harrington. The two of them are owners of a 50-acre parcel that they're seeking annexation on. This is the Reverend Richard Menzing. He represents the Faith Christian Family Church here in Lapeer. They have a 10-acre parcel on which the church facility is located. They also would like to become part of the City of Lapeer.

I wanna make it clear what we have not done. We have petitioned for our properties to go in the city. We are not proposing that the islands be brought in. We have no opinion on that matter. We're not opposed to it, we're not in favor of it. We just want to make sure that our request is considered independently of whatever you do with the island property.

If you look at the map up here on the left, I can show you precisely the land that we're dealing with. The area indicated in red right there is the area that is proposed for annexation by our petition. The smaller portion of that that I'm identifying right now is the church property. That's where the church is located and its future development will occur. The balance of the property is a 50-acre vacant parcel owned by Mr. Whitman and Harrington that we are seeking to be annexed.

As the Boundary Commission knows, the current city boundaries virtually surround this property. The permanent city boundary goes entirely along the north portion of the

property, entirely along the east portion of the property. To the south a large chunk of it is adjacent to an Act 425 land transfer agreement which is currently in the city under city jurisdiction. And when that expires, it will become permanently part of the city. So you essentially have the city on all three sides of the property.

Also a relevant fact about this particular property and the necessity of putting it in the city and the logic of putting it in the city is that, as the City will explain to you, they originally acquired this small parcel, which is locally known as the Clover School. It's a one-acre property containing an old one-room schoolhouse. They have recently obtained it in trade to the Lapeer School District. Their intent is to use that as the opening phase where a road will run entirely along the west portion of the property proposed for annexation.

So the development of this area, again, will logically include annexation of our property into the city. Now, why are we seeking annexation? We're seeking it on behalf of both parties for somewhat similar reasons. As Pastor Menzing will explain, the church is desperately in need of public water service for a number of reasons. They have fire suppression issues [inaudible--coughing] building. They have insurance costs that are associated with not having access to a larger fire department. They have fire inspections in the city.

Also sewer service, not currently, but as we expand the church it will be a relevant thing.

And also the Lapeer City Fire Department and the Lapeer City Police Department are located right there where I've got the red dot on the map. They are—the public safety departments are side by side. As you can see, they are less than a mile and a half from our property. The Elba Township Fire Department is 4.2 miles from the nearest point. And I'm sure they have a fine fire department, but it is a volunteer fire department. And their police are done by contract with the sheriff's department. They have less than full—time coverage. The city police department located right there has 24—hour coverage. So they could quickly respond to any concerns that were down here from a public safety perspective.

From the developers' standpoint, they have the 50-acre parcel. They obviously have to have public water and public sewer to develop their property. And they will explain to you their situation as to that. There is a significant amount of wet land in the area. It simply doesn't lend itself to conventional on-site sewage disposal. It would only be logical when development occurs to be tied into a public sewer/public water system. Elba Township does not have such a system that is able to serve this area. The City of Lapeer has a system and the lines are quite close to our property. I'm sure the city will show on their map precisely where there

lines are. But they can easily get service, both for public sewer and for public water.

Also, this annexation is exceptionally logical from a community perspective, not just from my clients' perspectives, but from the entire Lapeer community. As you can see, it's an indentation into the city boundary. You're going to be creating a logical, cohesive municipal boundary instead of one that is illogical and jagged. You're going to be encouraging development to occur inside the City of Lapeer rather than have it spot all over the county and reduce farm land and spread development.

If this is developed, it will have a significantly higher tax base. Not the church, of course, which is tax exempt, but the property to be developed will have a dramatically higher tax base. Elba Township has almost no financial stake in this property of ours here because the grand total tax for Elba Township for the entire year of 2006 was \$135.00. That's it. That's all Elba gets by virtue of having our 50 acres located in Elba Township is \$135.00.

If it goes into the city, if it's developed as my
Petitioners will explain, it will have a substantial tax base,
which will not only benefit the City of Lapeer, but it will
benefit the entire community. Our county services are largely
paid for by special millages. Our senior citizen services,
our library services, our schools. All of that is tied to tax

base. And it would increase the tax base. The entire community wins.

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So why are we here on annexation? Why don't we just sit down and make a deal and cooperate and get this thing done? We would love to see that, but we're the people in the middle. The other two sides have to make a deal. We can't make it for them. And they have not made it. It happens I'm the attorney for the other three townships that surround the City of Lapeer, Elba--Lapeer Township, Oregon Township and Mayfield Township. Each of those three townships have arrived at substantial annexation agreements voluntarily with the city with tax-base sharing and municipal-service sharing. I can't speak to why it hasn't happened in Elba Township. All we know is it hasn't happened. And because it hasn't happened, these folks are trapped in between two contending governmental forces. We simply can't develop or sell our property unless it's annexed.

I'm going to turn it over now to Mr. Harrington who will comment on his property portion.

MR. HARRINGTON: Good afternoon.

CHAIRPERSON VERBURG: Good afternoon.

MR. HARRINGTON: My partner Pete and I bought this chunk of property 30 years ago. And at the time it was laid out just exactly like that. We realized that water and sewer would be pertinent. We had no idea there would ever be a

problem getting--getting water and sewer. At that time there was pretty good talk that Elba was going to bring a sewer system out to that area, which never--never happened. The sell conditions, as Gary said, don't allow us to--to have sewer. So with that, we had numerous requests to Elba to get this property--some type of cooperation between the city and the township. That didn't happen. As far as that aspect of it, my partner Pete will go over the--our attempts to--to get this taken care of between the city and the township.

CHAIRPERSON VERBURG: Mr. Whitman, Peter Whitman.

MR. WHITMAN: My name is Pete Whitman. And I wanna share with you, if I might, a drawing which is basically the main reason why we're here. This is the Rolling Hills Golf Course. And our property is outlined in yellow. And there is a development plan for Rolling Hills—at least half of Rolling Hills Golf Course, which includes our piece, for multifamily development.

CHAIRPERSON VERBURG: Could you just put the Rolling Hills--could you point it out to us there roughly.

MR. WHITMAN: Sure. Okay.

CHAIRPERSON VERBURG: That's part—that's part of technology.

MR. WHITMAN: The Rolling Hills Golf Course is here. The golf course goes up to these lines.

CHAIRPERSON VERBURG: Okay.

MR. WHITMAN: And this is our parcel here.

CHAIRPERSON VERBURG: Let me--let me--so none of the Rolling Hills Golf Course is on your property now, nor will it be.

MR. WHITMAN: No.

CHAIRPERSON VERBURG: Okay.

MR. WHITMAN: The point of this is that the--the--the developer of this property approached us and asked us if we'd be interested in selling. We negotiated a purchase agreement which we have here. It was solely contingent on our annexing into the city.

UNIDENTIFIED SPEAKER: Use the mic.

UNIDENTIFIED SPEAKER: Use the mic.

CHAIRPERSON VERBURG: If you'd just sit in front of it.

MR. WHITMAN: I apologize to you. The only reason we're here is because we have a purchase agreement. As Jim has pointed out, we've had this property for 30 years, and this is the first opportunity that we've seen to--to have a sale. And if you notice that drawing--do you see the dotted line here all around it? That identifies the wetlands.

CHAIRPERSON VERBURG: I see. Okay.

MR. WHITMAN: So what's left is--is viable for multifamily. So what we did back in, I believe it was October of 2005, we--I approached Mr. Kosiara and asked him if I could attend a township meeting. And I--and I wanted to bring and

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got consent and brought Dale Kerbyson, who is the city manager of the City of Lapeer. And we made a very brief presentation to Elba Township and--and told them our sad story of the fact that we needed sewer and water and they were unable to provide that. And would they consider discussing with us annexation. And this--this fact was brought out on several occasions in the local paper, LA View.

And I think--perhaps an interesting comment that I'd just like to share with you, this--this--this was a reprint in November of 2006. And the clerk, Brenda Johnson, suggested this--this was what was brought out in--the minutes suggested that the Board might wanna renew negotiations with the city on the -- on the annexation issue. And I think the comment was somewhere in this article. It just simply states, well, let's just see what happens when--when the Board--the Annexation Board reviews it.

Covered everything. Thank you for your time.

CHAIRPERSON VERBURG: Okay. Thank you, Mr. Whitman.

MR. HOWELL: Okay. Richard Menzing will be next.

CHAIRPERSON VERBURG: Yeah, I'm not sure. I forgot to mark your time, but--

MR. HOWELL: We've got lots of time left.

CHAIRPERSON VERBURG: I'll mark your time. Don't worry about it.

MR. MENZING: Yeah, Pastor Rick Menzing from Faith

Christian Family Church. We bought 10 of the 60 acres from Mr. Whitman and Mr. Harrington back in the year 2000, I believe. The church is doing well. We're looking at having to go to two services now, which is a good thing--good problem. But at the same time, we're also looking to building a larger sanctuary, which would turn our current into youth facilities and whatnot.

We do a lot of community outreach. We have a huge food program that goes on there along with many other things. But with the larger facility, it would require—because of the square footage it would require fire suppression. The building we built first, we built just short of fire suppression for multiple reasons. One, it wasn't available without extreme expense. And so having—having the—the water there is huge. And obviously down the road sewer is—I mean, right now we have a septic field. But when you build a larger facility, the sewers would—would be more beneficial than a septic.

MR. HOWELL: That concludes our portion, but I have to correct one misstatement I made. I was saying I have voluntary annexation agreements with the three other surrounding townships. We have them with Lapeer Township, with Mayfield Township. We've got a draft done on Oregon Township. The public hearing is coming up. It's not finalized yet, but it's close.

CHAIRPERSON VERBURG: We'll call next on--

UNIDENTIFIED SPEAKER: Do we move?

MR. HOWELL: I don't know.

[Whispering]

CHAIRPERSON VERBURG: Okay. We'll call next then on--on the city manager for his perspective on this matter and his testimony.

MR. KERBYSON: Hello, Commissioners. My name is Dale Kerbyson. I'm the city manager of the City of Lapeer. We're here today, as was mentioned the last time, because of the petition that was brought out and has been pushed out to--to you guys as a formal request. I wanna introduce my staff over here. I have Jim Muxlow, the assistant fire chief. The police chief, Todd Alexander. The planning director, Linda Jackman. Our water and sewer superintendent, Pam Reid. Our finance director, Paul Boucher. And Charlie Mann, our waste water superintendent. And our DPW director, John Lyons. So we have people to answer questions. If you ask something I can't answer, they're prepared to answer for you.

I have a lot of points I'd like to touch base on. I don't know if any of them flow in a particular order, but I--I did wanna say right off the bat that I sent out a letter a short time ago to the people in the added area, the people in the islands. And in that letter I misspoke the millage that Elba Township assesses. I have contacted the Office of

Equalization here in the county. They gave me the numbers. And then I talked to Brenda Johnson to verify that they were, in fact, incorrect. Our—it just happened to be that our finance director contacted the Equalization Office again today because he wanted to run some numbers for this evening, and they gave him yet a different number. So I just wanted everybody to know that that—that's probably an issue that would have caused some consternation, but I know that it was incorrect. It doesn't change the—the topic necessarily, but it—it was a misspoke number.

Again, we--we're here because the Petitioners filed a request to annex. The city didn't ask for this meeting. But we did--I did wanna go over some of the items, some of the things that got us here. After we met with the Township Board at Mr. Whitman's request, I suggested that the Township Board assign a committee to, in fact, negotiate on this topic. I asked specifically for the supervisor to be in on it. The end result was that we received a committee assignment. There were three people. We met several times over at least three or four months.

We did come up with an offer. The offer was a result of negotiations with their committee. And I had a committee that was made up of commissioners, myself. I believe the mayor was also involved. So we did--we did do some negotiating. But the end result was that we offered for this petitioned piece

of property to provide the township with 1.4 mils on the property. That is higher than we pay on the other 425 properties. And it was in perpetuity. So it was to be in place forever on an income stream for the township. And we were turned down. The—the township met, they sent us a letter with a series of requests. The first one being that the millage they requested was more than double what was offered and—amongst other things.

So the Commission said, well, you know, here we met with them. We had a committee, we thought we did everything above board. And we've very forward with our numbers as to why we got there. To be so out of wack in a response, we just felt it was not—it was not going to go anywhere, so we rescinded our offer. And that's what put us here today. And again, the goal of that negotiation was to reach a mutual resolution annexation, not spend the time and effort and money and all the things that are required to be here to present this to you today. So we would've liked to have avoided that and had a much smoother transition with the property.

Some of the things that the previous group touched base on--I wanna go over the map quickly. Oh, it's kind of out of focus. There we go. This parcel is the petitioned piece. The city now has control of that little lot on the corner. It is a long-term goal of the city to open another access to Oregon Road up here without having to go into town a mile and

then go north and come back.

CHAIRPERSON VERBURG: I understand--do I understand that that parcel at the bottom there is part of the city now or it's--

MR. KERBYSON: At this time the city owns it. We--it has not been--

CHAIRPERSON VERBURG: [talking over] city limits.

MR. KERBYSON: No, it couldn't actually be brought in without a mutual resolution agreement because it isn't currently touched by the city. There's a 425 across the street. But again, you cannot annex off of a 425. This road project has received the blessing of the County Road Commission. It's a great travel flow device because up in this area and these— this subdivision all go back and forth on that road. And they all have to move down to a corner where there's two schools and drive past another two schools to get back out to the highway or into the commerce center of Lapeer. So you can see there's a few parcels that are spread around that we commonly call Elba Island.

I've spoke to--because of that letter, I spoke with several people in those islands. Some were on the fence. Others were very much in favor. And some I have yet to get anyone to say, no, that they don't wanna come into the city. I know they're out there, but they haven't talked to me. So one of the questions that have came up is the utilities. So

we put this map together to indicate where utilities exist inside the city in--in and around the Elba Island as well as the Petitioner's property. You'll see here blue is water. We have an eight-inch line here. And we stubbed a 12-inch line here, reduced it down to [unclear] but there's a 12-inch line right in the immediate area of these potential annexations.

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Several of these properties have city sewer already. Only one on the corner currently uses city water. It--the neighbor did have city water, but she disconnected--it runs off her well and it's monitored because she has sewer at all of her sites. I have a map that indicates the people who-oops, wrong way. This is a--just a brief synopsis of the people that have contacted me and said they would be in favor of coming into the city. Of course we have our own piece. The two Petitioners. There's a residence here. These are a series of condominiums on a -- on a small inlet into a larger subdivision back here that remained in the township. Again, they have sewer, but they are not -- they don't have water and they are not in the city at this time. One of them is empty. And the man in the front here started out--he was against it, then I talked to him yesterday. And now he's on the fence and he may be here. I don't know. This piece--this parcel is undecided. It's a new business. These two, one is a house and one is a motel. The motel has city sewer and they are very interested in coming in. This is a car wash/oil change

on the corner. Their--they probably are here and will speak tonight, but they're interested in coming in. This business, hair tanning salon, hair salon and other things, they're interested. And one resident up here is also interested in coming in. I think we have the stars represented in all the proper spots. But I have percentages of how much that equals out of the whole group, not that that's necessarily important.

One of the things that I wanted to touch base on is because the church here will be having a day care, we feel it's important, of course, that the service of our police department being so close, there's so many different times that they could need a police service. The sheriff, again, is not that far away, but it is further away. And the township only contracts for one and a half cars on a weekly--I'm not sure how it works out, but we have a minimum of--again, I believe it's five cars on every day 24/7.

So the future development of the Petitioner's parcel having the, again, somewhat closer services of public safety is just a matter of life and limb. Elba Township is a fantastic department. They are one of our biggest supporters. And we--we really appreciate them. But again, they are four-plus miles away and we would be slightly less than two miles away from the furthest point, so.

One of the important parts about the Petitioner's property is the increased density that you see up there with

the individual homes. They're privately owned, ranch-styled condos in that proposal. It would bring upwards of 250 children, as an example, to the area to support our local schools. You know right now, as one of the Petitioners said, the school system, as they all are, is struggling. This increased residential area would provide children and so on for the school system and economic support for the county. Having these properties serviced by our existing waste water treatment plant also protects us and the community from having well water contamination or ground water contamination because it will be, you know, handled by certified state treatment plant.

I--I wanted to touch base on the average response time for a fire call in the city is six minutes. That's anywhere in the city at any time of the day or night. The average response is six minutes on scene.

LOCAL COM. LUPO: Can I ask you a question on that issue? MR. KERBYSON: Yes.

LOCAL COM. LUPO: If--if I remember right, I think the City of Lapeer Fire Department--the City of Lapeer Fire Department is--is Elba Station Number 3. Is it still that way or what--what we're missing here on that issue you keep bringing up is mutual aid.

MR. KERBYSON: Correct.

LOCAL COM. LUPO: You know, whoever has the property,

whatever jurisdiction it is, the other department is going to help anyway, so--

MR. KERBYSON: That's correct. Maybe Elba is station-Lapeer Station 2. I don't know.

LOCAL COM. LUPO: It used to be that way.

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MR. KERBYSON: I can address that, Commissioner Lupo. The -- the automatic aid between the departments is only for structural fire responses. There's various other things from fire alarms, chimney fires, vehicle fires, grass fires, where the--the Elba Township resident has to wait for the Elba Township Fire Department to come in. We do assist absolutely. And usually we're probably there on the scene before them because, again, it is so close. We have three full-time and one full-time/part-time staff member on every day. And you know, we have--we're prepared to go. Again, we're right down the street. But yes, we have--we know there's mutual aid. know that it's -- it's very beneficial to both of us. But it comes down to the--the bottom line is 5.3 miles versus 1.7 miles. And--and I don't know what Elba's response times are. Again, I'm not in any way knocking their department, but because they have to get there and then get on the road, it would certainly be, I think, longer than six minutes. we're--we really rely on that mutual aid agreement.

Many times I've been asked since this topic has come up and over the years, do--if I were to be annexed into the city,

would I have to hook up to city water and sewer? This is a potential person, for instance, in the Elba Island. answer to that is no. It has been the city's past practice that we only quote, unquote, force someone to connect to the system when their existing system fails. Typically that would be when they--if someone in the island wanted to come into the city, they came into the city and, in fact, they have a brandnew septic system. They're going to be able to use that septic system until it fails. And then they would have to try and pull a permit to--to install a new one. And I'm sure the county would not allow them to pull a permit since they would be located in the city. And we do not, in fact, force them to connect until their system fails. That's been a practice, a very long past practice. But we now are actually in review of this, we've noticed that it is not a policy. So there will be a policy in front of the Commission to approve that as a permanent action rather than as a past practice.

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One of the things that is important to know about the individual islands residents, if they have city water or sewer, they're currently paying 100 percent of city-operating taxes. We have an in lieu of taxes, a fee that those people pay annually. So coming into the city would not cost them additional property tax. There is a city income tax, which of course, Elba Township doesn't have. And that one mil or half mil, depending on where you work, is a function of the

additional costs to anyone that would come in off the island. But those that have utilities—and I think this list is pretty close to everybody that has utilities—they will, in fact, not receive increased property tax because they're already paying 100 percent of the City of Lapeer's property tax.

UNIDENTIFIED SPEAKER: You're a little off on that millage for the fire department.

CHAIRPERSON VERBURG: I'm sorry, you'll--you'll get your chance, but not now.

MR. KERBYSON: Well, I--just to clarify it then. I had the fire chief prepare me a note. The--and I don't want to get into a discussion, but you guys might wanna know--

CHAIRPERSON VERBURG: Why don't you use your rebuttal time for that.

MR. KERBYSON: Okay. Fine. One of the things, of course, benefits to this is that the development stays centralized. I know that the attorney for the Petitioner commented on that. If we keep these—this development inside the city limits, it doesn't spread over several acres that would need to do in the—that would need to take in the township. It doesn't need to build a lagoon system. It doesn't need to drill, you know, separate wells in a different area. So it keeps the development centralized. Ultimately, I have lots of little numbers and percentages. If you guys have any questions for me, I believe that's all the things I wanted

to touch base on. 1 CHAIRPERSON VERBURG: Okay. Very good. You used all but 2 one minute of your time. 3 4 MR. KERBYSON: And I didn't even practice. 5 CHAIRPERSON VERBURG: Well, I was gonna mention that, 6 but--okay. Now we'll turn to the township and--7 MR. KERBYSON: Did you guys have any questions? 8 CHAIRPERSON VERBURG: We'll get to the questions at the 9 end of--10 MR. KERBYSON: Okay. 11 CHAIRPERSON VERBURG: We'll call next Michael Gildner, 12 who is the attorney for Elba Township. 13 MR. GILDNER: Mr. Chairman and Commissioners, can you hear me just fine? A little bit of an echo? Can you--can you 14 15 folks hear me fine now? 16 CHAIRPERSON VERBURG: I can hear you fine. 17 Anybody else have a--18 UNIDENTIFIED SPEAKER: I can. 19 CHAIRPERSON VERBURG: Okav. 20 MR. GILDNER: I'll try to speak up. My name is Mike 21 Gildner. I represent Elba Township tonight. I have with me 22 Michael Hodges, the trustee of the township; John Kosiara, 23 township supervisor; Brenda Johnson, township clerk. My goal 24 tonight is to address what I believe are the four principal 25 reasons why this petition ought to be rejected. And we have

supporting proof to fill in any blanks that may be--may be necessary. It's easy to lose touch of what brought us here in the first place. And so I--I--I brought out the petition and I'd like to read a portion of why the Petitioners believe annexation is necessary.

They say that, quote:

Immediately adjacent to this vacant parcel is a proposed development of upscale housing located within the current city limits which has been approved by the Planning Commission. The developer of that project has an option to purchase the 50-plus acres in order to include it in the proposed residential community. City sewer and water service are necessary to develop the project. Closed quote.

In short, the reason that may have existed at the time of this petition no longer exists. The upscale development that is being referred to was, indeed, before the City Planning Commission in December of 2005. And it passed. It went before the Planning Commission on December 19th, 2005 and was approved there as well. The petition that was before the—the city, the developer wanted to re—zone from R—4 single—family residential to R—M, multiple—family residential. It talked about this upscale development. It talked about putting a banquet facility on some property that was currently in the City of Lapeer as well as a medical office building as well.

Now, when that went before the City Planning Commission and the city commissioners themselves, it was approved with some contingencies. One of which was that development has to take place and the zoning agreement had to be finalized within two years from the date that project was approved. That project was approved December 19th. And I--I have some documents, if I can provide all of you, just to flush some of these details out.

Mr. Chairman, what I've handed first is Exhibit 1. These are minutes from the City Planning Commission dated

November 10th, 2005. And I've highlighted on Page 1 what the request was by the developer at that time. Now, we're speaking about the adjacent property, not about the subject property. But again, we're here tonight because the Petitioners want to have that development on the adjacent property spill over onto their property. And they need the services, they say, in order for that project to move forward.

CHAIRPERSON VERBURG: Help us understand. What is the adjacent property you're referring to?

MR. GILDNER: It is Rolling Hills Golf Course--

CHAIRPERSON VERBURG: I see.

MR. GILDNER: --essentially.

CHAIRPERSON VERBURG: All right.

MR. GILDNER: And you saw--

CHAIRPERSON VERBURG: Okay.

MR. GILDNER: --a snapshot of that earlier.

CHAIRPERSON VERBURG: Right.

MR. GILDNER: It is right now an 18-hole golf course adjacent to it. The plan was to give the city essentially nine holes of that 18-hole golf course, develop it into this upscale project and add some of those commercial uses that we talked about. These are the City Planning Commission meetings. It lists what was being proposed and what was approved.

Exhibit 2 are minutes from the City Planning Commission—
I'm sorry, the City Commission dated December 19th, 2005. And if you'd turn to Page 2 I've highlighted where there's a brief motion approving the development. And the condition is that this development needs to take place and the zoning agreement has to be done within two years from that date, December 19th, 2005. It's my understanding that to this date there has been no zoning agreement, absolutely no development. I don't believe a shovel of dirt has been turned over on this project and cannot be until the zoning agreement itself is finalized.

In speaking with the city in preparation for tonight, I understood that the developer on that adjacent property has shown no interest in moving forward on that project. So the developer on that project has until December 19th, 2007 to make substantial progress in a development that has not been finalized. And to this point in time, has shown little

interest in moving forward with that project. So what the developers are asking me to do is grant annexation so that this development that may or may never take place, and right now it appears more likely that it will never take place, can spill over onto their project.

And to my surprise, looking at the paper--today's paper, there's an ad from Rolling Hills Golf Course, which I'd like to present. I didn't make copies because I didn't expect it. But it's an ad from Rolling Hills Golf Course. And it says, the development deal is off; Rolling Hills will remain an 18-hole championship golf course.

CHAIRPERSON VERBURG: Who--who's the sponsor of the ad?

MR. GILDNER: It appears to be Rolling Hills Golf Course.

UNIDENTIFIED SPEAKER: Is that the LA Times?

MR. GILDNER: Yes. I would--I would--

CHAIRPERSON VERBURG: We'll--we'll have it for the file.

MR. GILDNER: Thank you. I will submit that as an exhibit as well. So again, I haven't conferred with Rolling Hills to confirm, but it certainly appears to be their ad. And what we do know from the records of the city themselves, which I had provided you, is that there are conditions on this development next door that are central to this petition that have not gotten off the ground. So for that basis, Reason Number 1 is there's no basis for annexation tonight.

Number 2, annexation would have a deleterious effect on

the broader community in this way. You see from the map that's put on the blackboard behind you, it's very difficult to see, but within the yellow shaded portion there is a wide swath, which I believe represents wetland. Elba Township is unique in Lapeer County and, I believe, in the thumb of Michigan in that it has a wetlands and wet waterway ordinance. We're the only township in Lapeer County to have a wetlands ordinance. It was adopted many years ago. And it reflects the fact that Elba Township, that fragile habitat is important and must be preserved. The township was not content to leave it to the DEQ or the DNR to regulate development in and near wetlands. Hence, this wetlands ordinance.

And it—it requires that if you're going to do some work there, you come to the township, you get a permit and you seek the township's blessing before you develop. What's important here is that if this petition goes through for this development that may or may never happen, that wetland could be disturbed without any input from Elba Township and the residents. And that's not something, given the fact that we're unique in that we have that ordinance, it's very important to the township and its residents.

And Exhibit 3 is that ordinance itself. I should note looking at the map, I have not seen that before tonight.

Going through the city's file looking at the blueprints of the development of Rolling Hills, I can tell you that plan was not

there. I don't believe that plan has been approved by any municipal body. So while it shows that there's development skirting the wetland, if this proposal goes through, they are not bound by that proposal. They would have to go to the DEQ, but they would be circumventing Elba Township. And Elba Township believes it very important that they seek their input when you're disturbing wetlands.

Reason Number 3, a reason given in the petition is the benefits proved by water—I'm sorry, by police and fire services. And this has been touched upon by Mr. Lupo and others, but I wish to flesh it out a little bit. The township has a volunteer fire department which is approximately four miles away from the subject site. The township, in addition, has a mutual aid agreement with the City of Lapeer for fire. And as you saw form the map, the City of Lapeer is just down the street. There is—if there is any benefit by having city fire exclusively, it is nominal when you have a mutual aid agreement. As to police services, the township contracts with the Lapeer County Sheriff's deputy for police services. Now, if we had the map still on the—the board, you would see that the sheriff's department is located—

[CD 1 Ends]

[CD 2 Begins]

MR. GILDNER: --probably three-quarters of a mile from the subject site, just around the corner. And I can't imagine

that if a call came in, whether the township's one car is occupied or not, that really demanded a response, that the Lapeer County Sheriff's Department would not respond to it. So again, I don't see any benefit at all in additional police services. And any benefit that there is, considering the location of the sheriff's department is nominal.

Reason Number 4. I think that the proposed development—and I'm not sure there is a development, as I've stated—would be inconsistent with adjacent land uses. The township's present and future land use map designates this property as single family residential. To the township, the rural nature of our community is extremely important. In 2002, when the township did their master plan, they did a survey. They sought input from the residents as to what the township residents wanted. And that is Exhibit 4, which I will provide.

Exhibit 4--and I've highlighted different comments, but on Page 2 I've highlighted the section which reads, an overwhelming 92 percent of people who responded to the survey felt that agricultural land should be preserved. And when asked how that land should be preserved, 79 percent felt that single family large lot development is not the method to preserve that land. And to punctuate that point, 70 percent of those who responded disagreed with the statement that more residential housing is needed in the township.

But yet that's exactly what's being proposed here. In today's market—in today's market there is a glut of residential development. We have foreclosures, we have brand—new builds that sit vacant. We do not need in this area at this time any more development residentially, let alone high scale—upscale development that is being proposed here.

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A concern of the township is now that we know that this development deal is off, annexation would pave the way for commercial interests to go into that section. And what feeds the township's perception is the fact that the city has no available land that is available for commercial and has been experiencing this growth. It is required that they either annex neighboring townships' land or enter into these 425 agreements. If this petition is approved, the city could, indeed, place commercial interests on that property. And I should note that the city's future land use map, as I understand it, is hopelessly out of date and is in the process of being revised as we speak. So with the stroke of a pen, commercial interests could be allowed in that area. residential development that has been approved could be replaced by something that the community has said time and again that they don't want in this area.

I'll close with this. It's unfortunate that we're here in this situation. Several years ago Elba Township was the first township in the State of Michigan to take advantage of

Act 425 and the options that it gave and was more than willing to discuss that with the city in this case. From the township's perspective, the city showed no interest in that. The city made a proposal. The township countered. The city withdrew their offer and walked away from the bargaining table. And that brings us here tonight.

The best--the best way to handle a situation like this, we believe, is through an Act 425 agreement. And it's unfortunate that prior to tonight t has been unwilling to discuss that further. But for the reasons--the main reasons that I identified, we believe the Commission should deny this petition all together and leave this property in the township.

CHAIRPERSON VERBURG: You have -- you have a few minutes if you want--

MR. GILDNER: I'll defer to some of my--

CHAIRPERSON VERBURG: I want to--

MR. GILDNER: --colleagues here, if they have anything.

MR. KOSIARA: Thank you very much. I--I would like to touch a little bit on the fire department. It's been brought up. Legal counsel for the Petitioner stated they would have a larger fire department in the city. I would like to compare the departments a little bit. Basically they are very similar. The city has three pumpers. Elba Township has three pumpers. The city has one tanker. Elba has two tankers. Elba has two brass fire trucks. The city has one brass fire

truck. The city has an aerial vehicle, which we do not have. Each department has a fire and rescue vehicle. So basically they are pretty close.

But one thing that was not brought up is that the city covers two and a half townships plus the city. Elba Township Fire Department has a very good rating. We are a 7/8. Again, police protection, yes, we contract one and a half deputies. We also have the roving deputy cars that protect the county, cover us. And we are very fortunate here in Lapeer County to have a state police post where we also have police protection. We feel we are covered, but as you read the papers and watch TV, everybody needs more police protection. So as we continue to lose our property through annexation to the city, these services are harder and harder to provide.

We do have sewers available through a 425 agreement. We belong—we have water available at the corner of Millville and Oregon Road. But the Petitioner has never come to the township and asked for sewer or water, not on this particular piece of property. He was in in the late '90s. He talked to us about an 108 agreement. Had no idea what the project was. There was nothing said here, nothing asked of us about sewer and water on this project recently. I believe the city manager and Mr. Whitman did meet with our clerk just recently and came up with this 1.4 mils. I was at a mandated meeting, I was not at that meeting.

Mr. Kerbyson, he did send a letter out to the township official—I mean to our property owners in the township, two pages long. And I was surprised at the response that I seen there today because I haven't had anybody at all tell me they wanna go to the city. And hopefully today, after you let the public speak, we'll find that out.

In 19 I think it was '93, the city commissioners passed a resolution that they would be neutral on annexation. We're--we're very proud of that resolution. But in 19--in 2005 that resolution was rescinded. And as you can see why that was rescinded, by listening to the city manager today. Once again, we have water available, we have sewer available through the 425 agreement. But the Petitioners have never come and requested it. Thank you.

MS. JOHNSON: Hi, I'm Brenda--

CHAIRPERSON VERBURG: Your time is just about expired, so if you want a one-minute comment, go ahead.

MS. JOHNSON: Brenda Johnson, Elba Township clerk. As Attorney Howell referenced when he first started speaking this evening, he mentioned that his Petitioner's request should be treated—or should be looked at on its own merits. The Donnelly [phonetic] Commission took it one step further and is asking to look at the expanded area and hear from residents tonight as to whether or not they'd be interested in annexation. And I really urge those two to be kept separate.

The property in question, what might be good for one type of property might not be good for the others. And the vast majority of the other property in the expanded area is residential property. And I believe we have a lot of those residents here tonight who are going to speak out and tell you that they do not want to be part of the city.

The city and the township have tried to discuss a 425 on the petition property. And as it's already been stated, we received an offer of 1.4 mills. The township came back with not a lot more. We asked for higher mills, 2.9, which is what we were currently getting at the time. We asked for city rates into the community center, versus non-city rates. And we asked for our sewer capacity to be brought back up to what its original flow per day was. That is what we asked for. And our--the offer that the city made was withdrawn. So we do feel that we have tried to discuss the--the better way to go on a 425 versus just outright annexation. So if we can keep those two separate.

CHAIRPERSON VERBURG: Okay. Thank you very much. We'll now go to rebuttal period. And Mr. Howell and your crew, if you wanna--I don't know if you have anything to rebut, but--

MR. HOWELL: Absolutely.

CHAIRPERSON VERBURG: Go for it.

MR. HOWELL: We're gonna begin with Mr. Whitman to talk about the issue of the development proposal.

MR. WHITMAN: Mr. Gildner is absolutely correct. The ad in the paper is put out by Rolling Hills. Since—since the development that was proposed here and the subsequent, perhaps, sale fell through, it's still—it's still being negotiated. I guess that's a better way to say it. Now I'll explain what I'm—why I'm saying that. But Rolling Hills, obviously the ownership—the man's name is Mason Richardson. And I don't know if Mason—Mason is here. Mason, please, if I say something you don't agree with, stop me.

Obviously he's a business man. And because he's not developing and going to a closing, he's going to continue operating his golf course. And therefore, he's running ads that he's promoting his course. And hopefully he'll build up his business back again to where it used to be so that, in fact, maybe he can either sell his golf course or hopefully we can put together a development package again.

I have been meeting with Mr. Richardson and have been discussing with him other options as to how to proceed on the sale that he had negotiated. And the reason, I think, there's still an opening here is that if the purchases—prospective purchaser put up and gave to him considerable amount of money—and I'll just tell you it's well over a hundred thousand dollars, non-refunded. Anybody that puts up that kind of money is gonna—is gonna not lose interest immediately. I can assure you of that. Now, that's—that's

who--that's who we're dealing with.

There are three people that are the proposed developer.

And I hope to be meeting with them on Saturday. And I know we don't have any answers here for probably 60 days, but this is not a dead issue. It's not a dead issue. And whether it's a dead issue or not makes no difference. We can't develop, we can't sell this property without sewer and water.

CHAIRPERSON VERBURG: Anything else?

MR. HOWELL: Let Jim.

CHAIRPERSON VERBURG: Okay.

MR. HARRINGTON: One comment. The property--we have a bowling alley, an ice rink and a golf course next door. It's--it's zoned residential single family. And we don't have water and sewer. So that kind of leaves Pete and myself out in the cold as far as developing the property--or selling it, I should say. So as far as single family, it's not gonna fly. And if you'll notice, the way that the developer has that laid out, the wetland is protected. And that's--that's all I have to say.

CHAIRPERSON VERBURG: Where--where was the commercial properties of the pool and the recreation--where are those located?

MR. HARRINGTON: The--

MR. HOWELL: Bowling alley.

MR. HARRINGTON: --bowling alley is right in there.

CHAIRPERSON VERBURG: Oh, they're on the south side of-

CHAIRPERSON VERBURG: Okay.

Yeah.

MR. HARRINGTON:

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MR. HARRINGTON: Yeah. And then the golf course goes out to [microphone feedback]

MR. HOWELL: I think what we need to bear in mind is we're talking about \$135.00. The supervisor certainly made a point. The tax base in the township was needed to support public services. You're not supporting anything for \$135.00. I don't know what the township attorney charges. But I know my clients aren't getting an hour at a time for \$135.00. We're spending a lot of taxpayers' money here tonight. this goes to the city, there will be more tax base. services we're talking about will be provided. And they acknowledge that the city [unclear] service in many cases to township people, which is a good thing that they will respond They will respond to police runs. But that to fire runs. takes money. This tax base, on the increase placed in the city, so that they can pay for those services.

My clients, both of them, are caught in the middle on this thing. They can't develop their property. They're held in hostage until they get into the city and get sewer and water. The point on the 425 agreement, a minor correction. Lapeer Township is the first one in Michigan to have a 425 agreement. I personally negotiated it between the City of

Lapeer and Lapeer Township. Unfortunately, there hasn't been much ongoing cooperation between Elba and the city on annexation.

The four points that were made by the township attorney about development not proceeding, Pete Whitman has explained why every real estate deal is an ongoing issue. Wetland protection. The city, as explained to you, is a vast master of wetland protection. They have an outstanding municipal operation for wetlands. Fire and police. You know the story there. They're close, they're available, they're high quality. Preserving rural nature. Now give me a break. They're trying to preserve rural nature. You can't have it both ways. You're not gonna preserve any farm land at that location. You're gonna preserve farm land by concentrating [unclear] in the city and leaving the farm land [microphone feedback]

Most importantly, everybody seems to have forgotten my other client, the Faith Christian Family Church. They're not in this to make a buck, they're not in this to sell property. They need municipal services. They're being held back because they can't get fire suppression, they can't get these services. So the township is saying that we haven't asked for them. We all know that's almost a joke. The township can't provide—if they're gonna run this from Lake Nepessing or some other far distant point, they can't get it to us for any kind

of reasonable number. The city is right there.

Lastly, the negotiations, the 425 agreement, that whole nine years, it's unfortunate it broke down, but my people are in the middle. They waited years for those negotiations. They finally had to file this annexation petition to have any relief at all for the church and for the property owners. We've now spent a year waiting for this hearing. It will take more months before there's a decision. At some point, somebody has gotta make a decision and give some relief to the church and this property owner.

Those negotiations are unfortunately—it's unfortunate that they broke down. We wish they hadn't, but we weren't party to them and we couldn't solve that problem. As recently as November 30, the LA View reported—and their article about it was before the Township Board. Clerk Brenda Johnson suggested that the Board might wanna review negotiations with the City of Lapeer on the annexation issue. The next Township Board meeting—and I'm reading from the minutes of the Township Board annexation discussion. It was suggested that a letter should be sent to the city asking for negotiations to be revisited. Consensus of the Township Board was to wait and see what happens at the Boundary Commission. It's in your lap, Boundary Commissioners. Don't send us back to renegotiate again. It's not happening. It hasn't happened. It's just a delaying tactic. Thank you.

CHAIRPERSON VERBURG: Thank you, Mr. Howell. We'll go next back to the township.

MR. GILDNER: I just wanted to touch on two points that were raised. This petition is speculative. Can everybody hear me fine? It's speculative. The standards that state statute says that you are to look at how this proposal may affect nearby land uses, et cetera, the benefit to the—the economic benefit to the people affect it—it all dries and turns on what is being proposed within these—these parcels.

If this development deal is still on track, it would be quite easy to show. Show us the zoning agreement. Show us the purchase agreement. Show us any document that shows that this development is still on track. I provided you the—the—the documentary evidence which suggests that it's off track. If it's on track, show us the evidence. Otherwise, all they're asking for is services for an unknown project. And it's impossible. It's impossible for this Board to determine what effect will this have on the nearby community if you don't know what's going there in the first place.

As to the church. I don't know how the church needs these services to facilitate their existing uses. In speaking with the church, I know the bowling alley that's located across the street has been operating there for a good number of years, I believe predating the church, and operates on the--on a well, does not have city water and also operates

with an engineering septic field as well. So a more intense use, the bowling alley has gotten by all these years. And I submit the church could as well.

UNIDENTIFIED SPEAKER: If I may just say one thing. I was at a Michigan Township Association approximately six months ago. And it was reported at that time that there was 200 homes in Lapeer County, brand-new homes vacant. And yes, we do have sewer capacity under our 425 agreement with the city. Approximately 17,000 gallons, I believe.

MS. JOHNSON: I guess I'll finish up what I started saying before. I'd really like the commissioners to consider the petition and the proposed expanded area as separate issues. Again, I think we're talking about two totally different situations here. And I'm hoping that the residents will stand up and speak and we'll listen.

CHAIRPERSON VERBURG: What do you-what do you mean by separate?

MS. JOHNSON: As far as the proposed two parcels of land. And the expanded area along Davison Road and up Millville Road that you've added as commissioners.

UNIDENTIFIED SPEAKER: Proposed.

MS. JOHNSON: Proposed standard area.

CHAIRPERSON VERBURG: Well, our--our practice--our procedure is that we will--we will approve or disapprove the--the petition--

MS. JOHNSON: Okay.

CHAIRPERSON VERBURG: -- then we will have a vote on whether to include or not include the expanded area.

MS. JOHNSON: Okay.

CHAIRPERSON VERBURG: All of it, some of it or none of it.

MS. JOHNSON: And that's what I'm looking for.

CHAIRPERSON VERBURG: Okay.

MS. JOHNSON: Thank you.

CHAIRPERSON VERBURG: We'll call then next for the final rebuttal period on the city manager.

MR. KERBYSON: Okay. Thank you. I wanted to touch based on a few items. The--there seems to have been a lot of discussion about the conditional zoning project that was the Rolling Hills multi-unit development. As we all know, they simply have to come back and request an extension and the project would continue to move on at the city level. It is by no means over just because we had to wait a year to come to this meeting.

Comments were made extensively about wetlands. The City of Lapeer, if any of you have spent any time going through the city, has a long history of development and maintenance of city parks, wetlands. We have approximately a 70-acre wetland right in the heart of the city that is surrounded and passed with walking trails and so on. We have right here on the map,

I believe it's right about here--no, right here is 40 acres of wooded property that we hold out for a future nature site for the potential schools. Prairies and Ponds is all located down in this area. DeMille Boulevard surrounds it. It's off in all of this area, all in here, right in the city.

I think it is honorable that the developers want to include that parcel with the wetland because their goal was to open access to their constituents. It is a proposed closed gate upscale community that, again, would have walking trails around the wetlands. So I don't--by no means are they proposing to get rid of them. I think they're opening access to them. And I think it's easy for Elba Township to say that they protect and support and want to do all these things for the wetlands and so on, but I'm not aware of a park that they maintain, a public site for people to go and interact with these--these wetlands.

There was plenty of comments about the fire department. Again, it is not at any—any attempt on our part to discredit the Elba Fire Department in any way, but as an example, from their station to the intersection of Davison Road and Millville, it is 5.3 miles. From our station to that point, it is .6 miles. So—or I'm sorry, .9 miles. There is a difference. And response time, as I think everyone would agree, minutes and seconds in a fire situation matter.

So this comment, this is an unknown project, I think the

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church's project is very clear and up front. They have an extensive plan that they can't act on because they cannot get the required water and sewage that they need. There's a weighting system that you're probably aware of for fire departments. It's--it determines your homeowner's cost, your business' cost to insure against fire and--and property insurance rates. The city throughout has a five rating. The -- the supervisor of Elba Township said that their rating is a 7/8. A couple of points in your fire rating can amount to several hundred dollars annually on your homeowner's insurance or your business, personal property insurance. So I wanted to make that point.

I know some of the properties are already taking advantage of our rating and saying that they're part of the system. So I've talked to those owners and know that they're doing it. The city provides fire inspection to all its commercial sites as frequently as annually. That is an item that we provide that Elba Township does not.

There was discussion about homes available in--in the county. The city in cooperation with the county and many--many organizations did a city-wide--or a county-wide housing assessment that just finished, that literally was just done. And that assessment indicated that there is a need for highend condos for higher income older people, specifically ranch design. Well, it just happens to be that the developers have

an idea about that and that is the design that they're proposing here. Again, totally independent. City wasn't--the people that generated that was a county-wide assessment of housing.

When I was speaking earlier I made a mistake. I said that there is an income tax and I used the term mil. It's one percent of your income or a half percent of your income, not a mill. And also, all the people in this area who use these services in the extended area, they pay 150 percent of the cost of those services also. So, for instance, if their bill was \$30.00 a month, they're paying 150 percent of the going rate. So if they did come into the city, their bill would drop to \$20.00 a month.

Additionally, I think it's very important to consider the property owners and their request. I--I'm--anybody in the city can come in and request and do different zoning requests, changes, on their property. We hear 'em. We look at them as a group. And in many, many cases they get to move forward with their project. I'm--I'm surprised that these individuals have to go through this many levels to use their property as they see fit.

But the final comment I wanted to make is these islands have been an issue with the city and services for a long time. I think it's the Boundary Commission's goal to square off city boundaries. It makes things much more efficient and allows

for smooth expansion. It also allows for, as was commented, the controlled and contained development. So I would urge you to strongly consider bringing them into the city into this request. And I think it should be a foregone conclusion that the Petitioners be allowed to come into the city as well.

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This is not gonna be a 425 agreement. The city has had significant trouble using a 425 agreement. A perfect example is that map behind you. There's a big 425 agreement that makes up the city's industrial park. That gray area inside of that 425 agreement is Elba Township. We have lost many development opportunities because that parcel, those acres could not be accessed when we have an entire industrial all around it. To locate a plant--there is a cement plant right here that is, again, not in the city. So considering that for residential or farming is--it's ridiculous to think that it needs to be retained. 425, however, even if the city went in and bought that farm, we can't bring it into the city until the 425 agreement expires. So you're all familiar with that process. I think I touched on everything I wanted to get back on.

The one last thing I wanted to say was that the sewer availability that is in Elba Township is granted by the city, so it's our city sewage that they're able to use.

CHAIRPERSON VERBURG: Thank you very much. Why don't we take a five-minute break. Stand up, stretch your legs and do

whatever else you'd like to do.

[CD Stops]

CHAIRPERSON VERBURG: I would call next Eric Bindig and then Brenda Johnson.

Mr. Bindig.

MR. BINDIG: Thank you. I appreciate your time. My wife and I faithfully attend Pastor Rick's church. We are also the children's ministry coordinators of the church. And my wife is the director of the childcare, which has been tabled to this point for whatever reason. A couple of reasons that I'm in favor of becoming part of the city, one, being that my wife and I have been given the privilege to be in charge of the kids on Wednesday night service and Sunday mornings. We've been averaging anywhere from 40 to 60. And we are growing. As the pastor said, we're busting at the seams.

So for me, the facts are, as somebody pointed out earlier, Elba Township is—the fire department is farther away than City of Lapeer. You can bet that if we have a fire in our building, I want the person—you know, the township—the fire department that's closest, that can get there the quickest. Yeah, granted, you know, the other townships and stuff are gonna help out, but I want somebody there that's gonna be first on scene.

As far as the--a couple of comments that were made earlier about people not--the community not wanting upscale

houses and things like that in the community, I would have to disagree. I mean, why do we have three or four car dealerships in the City of Lapeer if people wouldn't wanna upgrade their home? People wanna upgrade their homes all the time. I had a house in Lapeer and I would--I would trade it in a minute for an upgrade on a house.

And then the--the other issue with us having to expand, you know. The bowling alley might be sufficient with their sewer service with what they have, but I don't know that they have current plans to expand their service. It's my understanding that the pastor has a set of plans in his office to expand, if we need to, at that--when that time comes. So that is one of the reasons why we would need the service. So thank you.

CHAIRPERSON VERBURG: Thank you, Mr. Bindig.

Brenda Johnson is next.

MS. JOHNSON: I already spoke. I accidentally signed that sheet--

CHAIRPERSON VERBURG: Oh, okav.

MS. JOHNSON: --when I--

CHAIRPERSON VERBURG: Then you had--

MS. JOHNSON: Yeah.

CHAIRPERSON VERBURG: Okay. Harold Green is gonna be next. And then Anita King.

MR. GREEN: I'm one of the elders with Faith Christian

Family Church and I'm also the building and grounds coordinator. It was stated that the bowling alley, you know, that bowling alley is 30 years old and they operate on the old fire laws. Our church is quite a bit newer than that and we have to go under the new fire laws. For us to expand, we have other buildings that we're gonna build and stuff that's gonna help the community of Lapeer and stuff. So for us to expand, we'd have to—without the city water, we'd have to put big water tanks in or a water tower or something like that for our fire suppressing. And that would be kinda tough to do. So that's one of the reasons I'm in favor of coming into the City of Lapeer.

CHAIRPERSON VERBURG: Thank you, Mr. Green.

Anita King and then following her will be Diana Menzing.

MS. KING: Hello. I'm Anita King and I'm a resident on Millville Road. I'm Anita King and I'm a resident on Millville Road. Right now to be having to be annexed to the city to have sewer and water, it would be a hardship for me. I am recently a widow and still—and we have just sunk a new well. And we just had septic repair. So my system is working fine. It's brand new. And I will not—I do not want to be annexed unless I have it in writing, promised in policy that I do not have to connect to the city sewage and water until my system fails. Thank you.

CHAIRPERSON VERBURG: Thank you very much.

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Let's see, did--yes, Diana Menzing and then John Kosiara.

MS. MENZING: I'm Diana Menzing--

CHAIRPERSON VERBURG: We got you. You're--you're done too, then. That's what I was thinking. Okay. Then--

MS. MENZING: I'm Diana Menzing. I'm the administrator of Faith Christian Family Church. And we continually grow and have a lot of community services, an outreach to our community. And so we need to continue to build buildings and have space in order to do that. We have one program that we just started last month that's called Angel Food Ministries. And I don't know if you're familiar with that at all, it's in 32 states in the United States. This side of Michigan no one has been doing it and we just started it last month. We had over 600 people in our facility in just a few days last month. When--this month we are going to have--we did a couple of weeks ago and this Saturday we'll have over 800 people come on to receive food that we are helping our community with. And each month it is going to grow bigger. We did have a day care, which we do plan to open again, which is another community service.

We have a care and share every year where our church brings in all of these things that they're not using anymore, clothing, furniture, appliances. And we open it up to our community. And hundreds of people come from all over our county to receive free items for their homes and their

clothing and that. Our youth continue to grow. We take 200 youth a year. They come into our facility for overnight conferences and go to different functions together.

And so as we are continuing to build, we build Phrase 3, which is our next building. Phase 2 will actually become—what we're in right now will actually become a youth center for our community. We also provide Alcoholics for Christ in our community and self-esteem classes with our community outreach. We have people coming from all over. They are actually sent to us from the courts, from the probation department, from the Community of Mental Health. And people are even sent to us from probation in order to fulfill community service hours with our church. So we need to be able to continue to grow and build.

CHAIRPERSON VERBURG: Thank you, Ms. Menzing.

Now we'll call on Greg Woodward. Now, Greg, are you here?

[No Verbal Response]

CHAIRPERSON VERBURG: Good. Then I can tell you about his penmanship. If you study it, you can figure it out, but with some help.

Then Ron Montgomery. Next is Carole Poulin.

MR. MONTGOMERY: Hello. I'm Ron Montgomery and I live on Davison Road right across from Woodside school. I've lived there 28 years and the city continues to try to annex us. And

they keep talking to--talking about many, many people wanting--excuse me, wanting to be annexed. That's not true from the petitions that I got when I went around talking to the residents. There's many of them that are here that signed the petition. They don't want to be annexed to the city. And we done this 20 years ago. And then somebody mentioned every so often they come up. And because we're an island, they wanna take over and--so we'd have to pay more taxes and have services we don't want, supposedly good services. And I don't want to be annexed and neither do these people. And so I hope you can see our plight here. We don't wanna be annexed.

CHAIRPERSON VERBURG: Thank you.

Carole Poulin, are you next? And then we will call on Michael--oh, Michael Gildner--we already got him. Lori Kelly will be next.

MS. POULIN: Good morning. I'm Carole Poulin. I live at 52 Sterling Drive, Lot 9, which is included in the legal description of the proposed annexation. I'm also a license insurance agent. Elba Township Fire Department has a good rating, a 7/8. I recently wrote an insurance policy for a homeowner living in Oregon Township. I had to increase her fire run by \$2,000.00 so that she could maintain a \$2,500.00 service run that the City of Lapeer charges Oregon Township. My property backs up to the church. I don't have a problem with Elba Township. I do have a problem of having my address

1	as a City of Lapeer resident. I would
2	CHAIRPERSON VERBURG: You'd have to talk to the post
3	office about that.
4	MS. POULIN: No, I don't want to be annexed into the City
5	of Lapeer.
6	CHAIRPERSON VERBURG: Oh, I see.
7	MS. POULIN: I want to live in the township.
8	CHAIRPERSON VERBURG: I'm sorry, whatwhat street do you
9	live on?
10	MS. POULIN: I live at 52 Sterling Drive.
11	CHAIRPERSON VERBURG: 52 Sterling Drive.
12	UNIDENTIFIED SPEAKER: She didn't think Sterling was
13	being
14	UNIDENTIFIED SPEAKER: It's not. It's directly to the
15	west of
16	UNIDENTIFIED SPEAKER: Yeah, you're not being annexed.
17	MS. POULIN: Well, according to what the State sent us
18	CHAIRPERSON VERBURG: Oh, they gave you a notice because
19	you were within 300 feet, which the law requires.
20	MS. POULIN: Lot 9 says that I'm on the boundary.
21	CHAIRPERSON VERBURG: A proposal does not
22	[Talking Over]
23	MS. POULIN: Okay.
24	CHAIRPERSON VERBURG:on the left side.
25	UNIDENTIFIED SPEAKER: It stops at you, but
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MS. POULIN: It stops at me, so--but--so I butt up against the church. We've, you know, we're very close to the City of Lapeer. But Elba Township has provided us with wonderful needs. They've met all of our needs. That's what I wanted to say; I'm against it. Thank you.

CHAIRPERSON VERBURG: But your zip code is--is--

MS. POULIN: We don't have a post office, yeah, in Lapeer, but--

CHAIRPERSON VERBURG: You're not gonna get away from that, no matter what, right?

MS. POULIN: Okay. I also grew up in Avon Township but my mail went to Rochester, so.

CHAIRPERSON VERBURG: Okay. Thank you.

Let's see. Lori Kelly is next and then Troy Wolfe. Ms. Kelly.

MS. KELLY: Hi, I'm Lori Kelly and we live on Davison Road. And I don't--is this on--can you guys hear me?

UNIDENTIFIED SPEAKER: You're on.

MS. KELLY: Okay. I don't believe that I am--that we are in that annexation. I can see where it would benefit some--benefit some and not others. I guess my personal concern is a road going straight through Clover Street out to Oregon.

There is a 12-step program that's been going on there since the early '60s. And it has benefitted this community immensely. And I think it would be a devastation to this

community to put a road through there. And another thing is if that road is put there, then my property value will most likely go down because if I would've known I was going to be living on a corner of a busy intersection, I would've never purchased that home. So like I said, I can see where this would benefit some and not benefit others. So I guess that's all I've got to say.

CHAIRPERSON VERBURG: Thank you, Ms. Kelly.

Michael Kelly is next. I'm sorry, Michael.

MR. KELLY: I'm Lori's husband. Yeah, as she just stated, she did a very good job, didn't she? You know, I'm really proud of her there.

CHAIRPERSON VERBURG: But is she cooking for--MR. KELLY: Yeah. No, I think I'll take her out.

Okay.

MR. KELLY: I don't want to live on a busy intersection, but you know, and—and again, I've gotta speak on behalf of the little purple square nobody heard from here. There's a 12-step program in there and it's been around forever. And it supports—I've seen people change. I've seen families change. Changes the community. I've seen the court system and the—and the police department definitely support it. I mean, you know, everybody knows what Clover School is. It's just traditions. I can't speak about it. But you know, it would be devastating, I think, to see that little schoolhouse go.

CHAIRPERSON VERBURG:

And not only that, it's a historical building, you know, so I oppose that. I wanna be the little square, not the big square.

UNIDENTIFIED SPEAKER: Come and see us Friday night. CHAIRPERSON VERBURG: Thank you, Mr. Kelly.

Now Troy Wolfe and then Donald Beyer. And then I should let you know that that completes our list. If any of you would like to speak, go back there to the sign-in sheet and sign in there and we'll put you on the docket.

MR. WOLFE: Hello. I'm Troy Wolfe. I'm representing
Thumb properties that owns the property at 3000 Davison Road
at Millville and Mill Road. It houses a carwash and quick
lube right now.

UNIDENTIFIED SPEAKER: Talk into the mic.

MR. WOLFE: We receive our water 100 percent from the City of Lapeer, 100 percent sewer from the City of Lapeer, which means we pay one and a half times the water rate, so we're paying in lieu of charge, which makes it hard for us to compete with area car washes because we're paying substantially more for that water. Also, most of our services, which then water and sewer come from the city. We do not get, you know—we have our fire and our sheriff's, which we haven't had to use. But we'll still retain that if we move into the City of Lapeer. I'm not saying anything about the quality that we had with the county sheriff

department or the Elba Township.

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Two years ago when we expanded and added the quick lube into the -- our facility, it was mentioned at a zoning meeting that the township anticipated that this would be next within five years, which you know, I'm assuming that the handwriting was on the wall. And they know it just as well as anybody else because it's in an island. It only makes economic sense and area sense that it be done, you know. We fought -- when we were doing that expansion for signage in that city--I mean through the township, if you go down Davison Road, right across the street in the City of Lapeer there's a sign that sits up 15 feet in the air that advertises a party store. You go down the street, back into Elba Township, and there's another neighboring sign that because we added an expansion, we had to put a monument sign in that can't even be seen. we'd been in the city, probably we could've had signage with the equivalent and we would've had the same type of visibility as everybody else. And that's all I wanted to say.

CHAIRPERSON VERBURG: Okay. Thank you. Now, it looks to me like we had two people sign. Did you sign in?

UNIDENTIFIED SPEAKER: Yes, sir.

CHAIRPERSON VERBURG: Would you state your name and then take your turn.

MR. HODGES: Thank you. I'm Mike Hodges. I'm one of the trustees, a rookie term as a trustee in Elba Township. My

other hat is I'm a chief assistant prosecutor in this county. I've known of no problems ever whatsoever of fire or police responding to the residents of this community of the proposed annexation. I think that the residents have been quite clear on that, that they don't wanna be included in that. So that's certainly your decision, but I think the residents are against that. Also, I'm concerned about our fire department, how the finances are going to affect our volunteer fire department if we lose all that funding. We've passed a millage. We've worked hard to pass that millage—excuse me, Chief Burke has worked hard to pass that millage and his boys and volunteers have done very well on that. And I'd hate to see us lose funding and lose our excellent fire rating.

As far as the 425 that we've talked about on the Petitioners' parcels, Mr. Whitman and the church, we did meet with the city. I was in that group. We did talk to them. They made an offer, 1.4. We countered the offer. They said, that's it, we're out, we don't wanna talk anymore. They've never, in my opinion, wanted in good faith to negotiate this, to talk about this, to sit down and come up with a counter proposal. They've never told us what was wrong with our counter proposal. Ours is still on the table. I wish we could sit down and talk. The--if this goes through, I think it's going to drive a pretty bad wedge between the city and township.

Apparently before my term on the township there's been some problems there, this wedge they refer to on--near John Conley Drive on Lake Nepessing Road. In my two and a half years there's been no negotiation with that. We've never told them, no, we're not talking. There's been no talk of 425 on that. They said, no, we're not doing a 425 there. I don't think the city really wants a 425. That's their opinion, that's fine. But I think they should say that and I think we should be able to sit down and have a 425 [unclear] be able to work this out in good faith. Thank you.

CHAIRPERSON VERBURG: Now, just one question. Do you refer to yourself as a rookie trustee when the supervisor is not around?

MR. HODGES: No.

CHAIRPERSON VERBURG: I thought I saw one other young lady. And your name is?

MS. PURDY: Eileen--Eileen Purdy. I own 2500 Millville Road, commercial property. And I would just like some information. I wanna know how this is gonna benefit me financially pro or con. I haven't really heard anything concrete. I don't know, are my taxes gonna go up, are they gonna go down? I don't know that for sure. I just heard what--what other people have said. And I--I just need some more facts.

CHAIRPERSON VERBURG: Okay.

MS. PURDY: And so if I could do that, I don't know if any decisions are gonna be made tonight, but that's my input.

CHAIRPERSON VERBURG: You live--where do--you live on one of the island streets there?

MS. PURDY: No. I'm--I'm a business owner at 25 Millville Road, the Salon and Hair Spa.

CHAIRPERSON VERBURG: Oh, I see. Okay. All right. Okay.

MS. PURDY: That's all.

CHAIRPERSON VERBURG: Yes, your name is.

MR. JOHNSON: Brad Johnson.

CHAIRPERSON VERBURG: Okay.

MR. JOHNSON: I too am an elder at Faith Christian Family Church. First of all, I just appreciate the education I got tonight understanding everybody's situation. And even the lady that just spoke, there are some pluses and minuses for everybody involved. We, however, at Faith Christian, we're in a situation where we're experiencing growth and, you know, growth in a church is different than growth in a business. As we continue to do our job that we're called to do, we affect the community. And we have a pastor that pastors that growth. He's already in the community in a number of situations. And he promotes that in our body, okay.

So as we--as we come under his direction, we're in this community to serve it. As we serve, we experience this

growth. We're in a situation right now where we're at capacity in our morning worship. We can do several things, you know, to accommodate growth. But what we have is a goal. Five to seven years from now will never be accomplished in our situation as we are today. What we have to have as an annexation so that we can come under the proper building code authority to build the buildings that we really need, I--I wanna confess something. I don't even live near Lapeer. I live--I live like 42 miles from here. I live seven miles east of Marlette. I drive to this community because I grew up here. I love this community. And the church that I belong to, I've been given an opportunity to serve this community.

Just understand that our service affects our area. And our service will be stifled without this annexation. And it's not just for Faith Christian. This is something that we do. And ministries have been listed that don't cause growth—it's not about bringing people into our church. It's a direct positive influence to people's lives in this community. So annexation is critical for us to continue doing the job that we feel we're called to do.

CHAIRPERSON VERBURG: Okay. Thank you.

Yes. You didn't speak before now, did you?

UNIDENTIFIED SPEAKER: No.

CHAIRPERSON VERBURG: Okay. What's your name?

MS. MCCOMB: My name is Kim McComb. And I'm an owner of

McComb Monument Company. I believe we do have, as Brenda
Johnson spoke to you, two separate requests. The first
request is from the Petitioners. And I would say to you to-to consider that request based on, you know, the--the standing
and what the request is. I do believe that churches should be
allowed to grow and service their communities. And I believe
that--that landowners would be able to develop their property.
With that said, let me speak to the bigger issue which
includes me and McComb Monument Company. And that is the
annexation of our property, which we did not request.

CHAIRPERSON VERBURG: Where is that?

MS. MCCOMB: I think it's right in that area.

CHAIRPERSON VERBURG: Right--

MS. MCCOMB: We brought this property knowing full well that it was in Elba Township, knowing the limitations of the sign, knowing the limitations for water, sewer. We bought that knowing that. And we assumed the financial responsibility that would come from having to pay additional taxes. That was a business decision that we made. And we-the facilities and services that are provided by Elba Township are adequate for our business needs today.

I have a very unique situation in that my brother also lives in this property that's going to be annexed. And he is physically disabled. His wife supports him and they have a son. And they are not financially able to assume the

additional taxes that will be put on them. So I would please ask that you would consider that these residents have not asked to have this additional tax placed on them and that you would consider this as two separate issues. Thank you.

CHAIRPERSON VERBURG: Okay. Thank you very much.

Ms. Holmes, did you see anybody other--any others waving their hands at you?

MGR. HOLMES: [no verbal response]

CHAIRPERSON VERBURG: Okay. Then we will go to the final stage of our public hearing. And we will turn to the commissioners and let them pose any questions that they may have either of--well, of anybody here. So who wants to start with the questions?

UNIDENTIFIED SPEAKER: I'd like to ask Elba Township if they have any applications—used applications—I'd like to ask someone from Elba Township if they've had any applications to either develop residential or commercial in that property.

UNIDENTIFIED SPEAKER: On the petitioned property?
UNIDENTIFIED SPEAKER: Yes.

UNIDENTIFIED SPEAKER: I--I really just--just the church--do you want to take this one? Really just the church would be the most recent development. And the potential development on Mr. Harrington and Whitman's property.

UNIDENTIFIED SPEAKER: Mine.

UNIDENTIFIED SPEAKER: Oh, I'm sorry, McComb Monument's

property.

UNIDENTIFIED SPEAKER: Is it currently zoned?

UNIDENTIFIED SPEAKER: I'm confused which property we're referring to. Are you referring to the petition--

UNIDENTIFIED SPEAKER: Single family dwelling.

UNIDENTIFIED SPEAKER: That is zoned single family, R-1.

UNIDENTIFIED SPEAKER: I guess I had a question for the church. You're looking at the annexation to enlarge your church. Is that what you want to do?

MR. MENZING: Sure. It will—the biggest thing for us is that when we build another sanctuary, it will be large enough to require fire suppression, which either means water tower, tanks in the ground or city water because you can't do it on a well. Okay. And so the most cost effective is if we had city water. That's the most cost effective. I mean, anything is doable, but not everything is practical.

UNIDENTIFIED SPEAKER: I was just comparing what you were saying to the--the New Baptist Church in Goodwin. It's probably two or three times the size of yours. And I was just wondering how they operate that.

MR. MENZING: And I'm not sure what they did. I just know that over 3,000 square feet you have to have fire suppression with the new fire laws.

UNIDENTIFIED SPEAKER: Another question. On different maps is the--what--what is called the Elba Island, does that

actually connect to the Petitioner's parcel?

UNIDENTIFIED SPEAKER: Well, the island--the street--the white strip there on that map is adjacent to the Petitioner's property, yeah.

UNIDENTIFIED SPEAKER: Okay. But land wise, the island is really disconnected from the Petitioner's parcel as it is right now, so it's not—it's not gonna be any—we're not cutting it off, it's already isolated.

UNIDENTIFIED SPEAKER: Yes, sir. It's--

UNIDENTIFIED SPEAKER: When you say in the island--

UNIDENTIFIED SPEAKER: It depends what you mean by

isolated, but--

UNIDENTIFIED SPEAKER: [inaudible]

UNIDENTIFIED SPEAKER: I understand, but coming down Millville Road all the way down, it doesn't--it doesn't go to the Petitioner's property. It is isolated on its own right now, is that correct?

UNIDENTIFIED SPEAKER: Yes.

UNIDENTIFIED SPEAKER: Okay. Because we have some maps that show it, then we have some maps that show it's not--it's not contiguous.

CHAIRPERSON VERBURG: I--yeah, I got you. Okay.

UNIDENTIFIED SPEAKER: I guess that's--right now that's all I have.

CHAIRPERSON VERBURG: Mrs. Jamnick.

15'

STATE COM. JAMNICK: Thank you, Mr. Chairman. I have a question for the city on your water and sewer costs for tapping in. I have some questions for you on the costs for tapping into the water and sewer facility should the properties by annexed. Are your costs determined by local ordinance or because of federal requirements?

MR. KERBYSON: Our costs are set by the city commission. And currently to tap into water, it is \$100.00 per inch. In other words, if you have a one-inch line, it costs you \$100.00 to tap it in. That is an economic development tool the city has employed for a number of years. Just a second. Let me defer to my superintendent.

What is the cost for sewer?

UNIDENTIFIED SPEAKER: It would depend on the type of development. Industrial and institutional is 25-cents a square--

[CD 2 Ends]

[CD 3 Begins]

UNIDENTIFIED SPEAKER: --foot. Commercial is \$1.00 per square foot.

MR. KERBYSON: Okay. I'll--I'll repeat it. Okay. I'll repeat it.

UNIDENTIFIED SPEAKER: And residential is 2,000.00.

MR. KERBYSON: Okay. A flat cost for residential development is 2,000.00 for a tap in. Commercial it is

\$100.00--

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UNIDENTIFIED SPEAKER: \$1.00 a--

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MR. KERBYSON: \$1.00 a square foot. And industrial it's \$25.00.

UNIDENTIFIED SPEAKER: Twenty-five cents. Commercial-commercial is 25-cents.

MR. KERBYSON: Twenty-five cents for commercial. Industrial is a dollar a square foot. And that's the tap in fee. But--well, obviously there's no industrial in this area. And it would either be commercial or residential.

STATE COM. JAMNICK: You have stated that you would not require people to tap into either of those services unless there was a failure with their well or their septic tank. Over a period of time, as one lady indicated, hers was a new well and septic tank.

MR. KERBYSON: Mmm hmm.

STATE COM. JAMNICK: So it would be some time before she would even need to consider doing that. How will you determine what costs? Would there be something set at this time or is it something that the cost would rise over a period of time and then she would have to pay that?

MR. KERBYSON: Actually--actually our rates again are set usually by the cost of the service. As you know, Bolt versus City of Lansing, it all has to be justified, the exact cost. But in that case, that lady did receive a letter from the city stating that in part of the--we sent out a letter to the people in the island because that was a common question. It says that you do not need to tap in until such time as your system fails. And again, that was a policy--or it's been an activity that the city has done. It's a past practice. But as of Monday night it will be an official policy of the City Commission. So if that--I don't know if I answered all of your question there.

STATE COM. JAMNICK: Yes.

MR. KERBYSON: Okay.

STATE COM. JAMNICK: I think that was--that was my concern.

UNIDENTIFIED SPEAKER: I just have another one. Now, if that—if that petition goes through and the property is annexed into the city, the city is going to benefit by taxes and enlargement. The Petitioner is going to benefit from sales and—and investment into the property. Economically, what—what else is going to happen? I mean, is there any other economic—

MR. KERBYSON: Sure. A perfect example would be the value that someone will have in a piece of property that's in the city with utilities available compared to not having them available now. If, for instance, your residence in this area that has no utilities, but yet utilities are—I'm pushing the wrong button—are this close to you, you can't get the

potential—let's say if that area continues to go commercial, you can't get the commercial value out of the property because you have to then go put in a well and a septic system on a small lot. In this case, you would have access to the utilities that gives the developer maximum potential to use the parcel. And it no longer—the—technically the best way to say it is the least use for the property is residential. The maximum use of that property would be commercial and it would have more value.

So those people who would come into the city and have access to those services would increase the future potential value of their property because of its increased salability. Some of those people have services now. And as I mentioned earlier, people contacted me directly and said they were interested in coming into this city. That was this map. It's because they already have the services and they're paying the taxes. So they will have, as the one lady mentioned, a small offset cost between the utility expenses and the cost and the future income tax.

LOCAL COM. LUPO: On your map there, where is the care facility? Isn't there a new care facility--or--or is it a 55 and over facility in there?

MR. KERBYSON: I forgot. Is that right back here?

UNIDENTIFIED SPEAKER: Yes.

UNIDENTIFIED SPEAKER: Yes.

1 UNIDENTIFIED SPEAKER: 2 MR. KERBYSON: Right here. LOCAL COM. LUPO: Okay. That's--that's the new facility? 3 4 MR. KERBYSON: Yep, brand-new facility. LOCAL COM. LUPO: And then there's a road that continues 5 6 on through and--7 MR. KERBYSON: There's a road back here--or no, it comes 8 in--I'm sorry, right there into that subdivision. 9 LOCAL COM. LUPO: Isn't--isn't it true there's--there's condos in there and homes in there that have been built maybe 10 11 a year ago sitting empty? 12 I--actually, interesting comment because I MR. KERBYSON: 13 drove through and this--there's a road that goes between these 14 condos. 15 LOCAL COM. LUPO: Mmm hmm. 16 MR. KERBYSON: Into this condo and apartment complex. There are a few for sale. The only one empty is this one 17 18 right there, the second one. Back here the Devonshire had a 100-percent--correct me if I'm wrong, but it had 100-percent 19 serve-out occupancy before it was finished. They were in that 20 21 much demand. 22 LOCAL COM. LUPO: I went through there last night and I 23 know--24 MR. KERBYSON: Where about? 25 LOCAL COM. LUPO: Well, I guess I really can't tell.

MR. KERBYSON: Okay.

LOCAL COM. LUPO: They looked like condos that you could see were empty.

MR. KERBYSON: Are those--

UNIDENTIFIED SPEAKER: There are a few spec condos back there that are not sold yet, yes.

LOCAL COM. LUPO: Okay.

MR. KERBYSON: And there are some houses, too, I believe.

UNIDENTIFIED SPEAKER: Just a handful of condos. The Devonshire condos and the Devonshire retirement facilities are technically two separate developments. One is a 55-and-over condo facility and the other one is assisted living. The assisted living facility is the one that had full occupancy before they opened. The condos are not filled now.

MR. KERBYSON: The development isn't finished and they built some over the winter, finished up--

LOCAL COM. LUPO: Well, the areas up there with all the parcels, they are developed and there are homes in there now?

MR. KERBYSON: Sitting for sale that are empty, correct. There are a few, especially on this road. There are some homes—I believe this one used to be the school superintendent's. It's for sale. There's a few along here right along the curb that are built and not yet occupied. I—I believe, Mr. Lupo, let me touch base on that because I know that there are a significant number on this street. But I

1 2 3 empty. 4 5 MR. KERBYSON: Right. 6 7 MR. KERBYSON: Right. 8 9 10 MR. KERBYSON: Oh. 11 12 13 14 MR. KERBYSON: Right. 15 16 17 divisions. 18 MR. KERBYSON: Mmm hmm. 19 20 township. 21 MR. KERBYSON: Right. 22 23 24 25

believe every one of those homes is over \$300,000.00. that, I think, is a contributing factor as to why they're

LOCAL COM. LUPO: At this time.

LOCAL COM. LUPO: At this time.

LOCAL COM. LUPO: I'm--I'm the guy that everybody loves, you know, in my work. I'm a township assessor.

LOCAL COM. LUPO: And so what I'm seeing now is a lot of developers, that having rode through some of the townships I work for are sitting back, you know.

LOCAL COM. LUPO: Nothing is moving. One--2005, one of my townships had 97 parcels developed that year from land

LOCAL COM. LUPO: Last year we had 15 in the same

LOCAL COM. LUPO: And we have 27 new homes that have been sitting empty as long as two or three years. And I'm just wondering where we're going. I mean, I can understand Mr. Whitman's request, but right now we're not in the need for

more homes in this county.

MR. KERBYSON: Right. I don't know that we're not in need for a specific type of homes, but of course there is the speculation. If the developers found—they're driven by need. They're not doing it—their speculation has a reason. But as an example, this development that was discussed that would come up in here and fill this parcel was a very large development. It's back here on the wall. That would take many years of infrastructure construction. The—the project is a phased project. And they want to have—you know, they have an end built—out value or—what do you wanna call it? Personal—their profit margin is based on their total design over many years.

As an example though, since that original proposal came in that's behind you on the wall, we have met with that developer a few times to discuss the transfer of the property, which is the golf course piece that was mentioned. That's up over here. And they have asked to change in the future, would it be a problem to change their—their proposal. And of course, anybody can come back and change their proposal. In this case they wanted to add in stated of all apartments—or not apartments, single family homes in a ranch style. They thought they would also build an assisted living facility in that development and it would fit fine with the area and the one right next door.

So by no means has that been approved. It hasn't been taken to the planning commission, but the project is evolving and, you know, I--I wouldn't wanna tell them, your investment plans are flawed because I don't--you know, because there's open homes close by. I guess that's where I'm at.

LOCAL COM. LUPO: Thank you.

CHAIRPERSON VERBURG: Mr. Priebe is next.

STATE COM. PRIEBE: Just some impressions actually of both the city and the township. But since the city manager is here, just a couple of quick questions. I was just curious, what is a high value unit selling for in this part of the state?

MR. KERBYSON: You mean a house or--

STATE COM. PRIEBE: What's being proposed here.

MR. KERBYSON: These units, I believe, are about \$180,000.00 for the base unit.

STATE COM. PRIEBE: Okay. Also I was somewhat curious. During the break we talked briefly about the irregular shape of the boundaries. And that does, frankly, seem to be a bit of a problem to you. As I look at the map behind me, I see really irregularly shaped Act 425s. And when you have an opportunity to straighten out your boundaries, why aren't we being more careful on these?

MR. KERBYSON: Well, I would--again, they were before my time, but I believe we were in a scenario in each 425

agreement where we could get what we needed, not necessarily what was appropriate or would square up the boundaries or make things flow better. We had to acquire what we needed, so it was based on the Petitioner's property and not the, say, city's long-term plan.

STATE COM. PRIEBE: Okay. And then I think just one final question of you. What is—is this really the third time the city has—allegedly somebody suggested the third time you've attempted to annex that portion, that island?

MR. KERBYSON: I don't know that the city has ever initiated an annexation attempt. Can anybody tell me that?

[No Verbal Response]

MR. KERBYSON: No, it doesn't appear. We have staff that have been here 18-plus years. I believe it was 15 years ago that this was brought up. These islands were mentioned in another annexation request, probably when that 425 was done. And again, it was turned down, so.

STATE COM. PRIEBE: Immediately south of Davison, if that's what that road is, that is a 425. When does that revert to the city? Is that--

MR. KERBYSON: I believe it's 35--35 more years on it. STATE COM. PRIEBE: Okay.

And if could, a couple of questions of the supervisor.

You suggested earlier that you could through the 425 make
water available to the church, I think, is what you said. Is

that so?

MR. KOSIARA: We have—we have a 425 agreement with the city now and we are eligible to put in approximately 17,000 gallons a day into the city system. And that is from that 425 agreement behind you.

STATE COM. PRIEBE: Does that meet the church's need or why specifically can't the church work there?

MR. HOWELL: That's sewer, that's not water is it?

MR. KOSIARA: Sewer, yes.

MR. HOWELL: Water is the big issue.

STATE COM. PRIEBE: Water is not evidence, then, through this process?

MR. KOSIARA: Not that I'm aware of.

STATE COM. PRIEBE: Okay. If I could--

MR. KOSIARA: If I may, the township does have Detroit water—we are a member of the Detroit Water System. We do have water available at Millville and Oregon Road. There is a tap there. The township as of this time does not use any, but it is available to us.

STATE COM. PRIEBE: Okay. The township presented a survey that was done. And of course, that is not legally binding or anything. But I was just wondering why—does anybody at the township side have an argument to suggest that the landowner should not be able to develop his land? You know, the survey says 70 percent of the people don't want

anything but farm. Ninety-five percent don't want any development. In all likelihood, that's not fair to the land owner. Do you have some argument suggesting that is fair for the land owner?

MR. GILDNER: I'll try to speak to that. No, that's not the township's position at all. We just want and expect—it's a zoned community—that any sort of planning and developing take place within the zoning guidelines and input from the appropriate officials. This case highlights that problem. Unless we know what's going in or out and what effect it's gonna have on traffic and property values and everything else, it's hard to evaluate. And so no one is saying no development. We're simply saying that this development that was proposed and is apparently off the table is not appropriate for the situation, nor is it needed. And if that development is—if it is going to be replaced or substituted into something else, we simply deserve to know what that is. We haven't been presented with it as of tonight.

UNIDENTIFIED SPEAKER: If I may say one thing. Have you heard today the car wash has city water? There is another commercial business that has water. And just recently as 18 months, a residential home hooked into the city water.

STATE COM. PRIEBE: One final question. You mentioned about, you know, you've got one and a half sheriff's department or deputies, which doesn't sound like an awful lot

1 to me, but that the state police were also available. Is that 2 a 24-hour operation at this state police post? Some of them 3 are not? MR. KOSIARA: Yeah, ours is. 5 STATE COM. PRIEBE: Thank you. 6 CHAIRPERSON VERBURG: On that point, how many officers 7 will be--will be laid off from your post? 8 MR. GILDNER: As I recall, they reported one layoff at 9 that post. 10 CHAIRPERSON VERBURG: Picking up on Com. Priebe's 11 question, how far--you told us the corner of Millville and 12 Oregon was the--was the tap. How far is that to the church? 13 In other words, how long will you have to run the line to get water? 14 15 UNIDENTIFIED SPEAKER: It would be long. 16 UNIDENTIFIED SPEAKER: Almost three miles. 17 CHAIRPERSON VERBURG: Is that all? 18 UNIDENTIFIED SPEAKER: Only. 19 CHAIRPERSON VERBURG: Is that right, three miles? 20 UNIDENTIFIED SPEAKER: Two and a half. 21 UNIDENTIFIED SPEAKER: No, that's not correct. It would 22 be a half mile down Millville Road and approximately a half 23 mile--24 UNIDENTIFIED SPEAKER: I think it would be over one, 25 but--

CHAIRPERSON VERBURG: Not much. Okay. Let me ask the city manager a question on--on that letter you sent out.

Number 1, would you send us a copy of that in the 30-day material?

MR. KERBYSON: Sure.

CHAIRPERSON VERBURG: And also, do you think the city would be wiling--and those are now--those are letters now to township people, they're not conditioned on whether--whether they would be annexed or not, is that correct?

MR. KERBYSON: What they did was explain what would happen had they became annexed or the impact they would have if they were annexed.

CHAIRPERSON VERBURG: Okay. So you would give us tax information on that letter and water and sewer--

MR. KERBYSON: Yep.

CHAIRPERSON VERBURG: And on fire protection as well.

MR. KERBYSON: Mmm hmm.

CHAIRPERSON VERBURG: Okay. I don't--those must all be different, or are they based on--on property assessments?

MR. KERBYSON: Well, what--what the person would do, again, as I mentioned when I first came on, my township millage in the letter was based on what I got from the Equalization Office. That is incorrect. You guys have that in your various material. But anybody can look at the letter and figure out what their property tax would be, what their

costs for after and so on would be. You know, that—that's the type of thing that's included. So if you did have services already, you would be reminded that in lieu of taxes, that a person using the utilities has, it is the equivalent to the city taxes. So they're already paying them.

CHAIRPERSON VERBURG: Now, if—if this annexation were—were approved, the annexation—that petition—our motion to extend were approved, would the city be willing to commit it's current policy that you will not be required to hook up to water and sewer until such time as your—your services are—

MR. KERBYSON: Yes. And I believe it will become a permanent policy Monday night at the Commission meeting. It is proposed that—it has been our past practice for many, many years. So the Commission should not oppose it.

CHAIRPERSON VERBURG: Okay. Would--would the city be willing to send each of those land owners a statement to the effect that--a contractual kind of statement?

MR. KERBYSON: Sure. Something that they could enter on their deed maybe even would be fine. We--we have no reason to shrink from that, so absolutely we'd do it.

CHAIRPERSON VERBURG: See, what I get concerned about is—and as we discussed this, should we or should we not, there maybe the question, well, the city can pull that agreement any time. And so if—if you're—if the city is willing to confirm a contractual arrangement, then at—at

least we have some certainty about how we're gonna--how you're gonna treat the residents there because I happen to talk to one of the people who had experience with hooking up. And he gave me quite a--quite a sizable bill that he was, you know, eight grand for engineering and 20 grand--or 15 grand or whatever for hook up, that sort of thing. And he recognizes that that was something that he had to do because his land was not effectively treating the water and particularly the waste water. And so you know, he--he incurred a substantial cost. He's not griping about it, but you know, the--that may or may not be the price that others incur. And you're not in the business of telling them what it will incur, but--

MR. KERBYSON: Sure. I think that--

CHAIRPERSON VERBURG: --you commit to --commit to not changing the conditions until such time as the water and sewer system--on-site systems are defunct, you know, that would be--

MR. KERBYSON: Sure. And again, we will do that. But the person that I believe you spoke to, because I talked to him too, he was one of the people--

CHAIRPERSON VERBURG: [talking over]

MR. KERBYSON: No. He was one of the people that, in fact, said he'd be interested in coming into the city. And the reason he had such an expense was being in the township he was required to do certain things to prove to their planners that he was capable to do that. And he also had to, because

again he's in the township, so he's gotta bill the services to them. He had to cross--you see that 8-W. He had to cross a big expanse of property that if this--it's city property, we likely would drill in utilities that would be in there for everybody 150 feet from their house.

CHAIRPERSON VERBURG: I have a whole lot of questions as all of you were speaking, but let me see if I can think of what I was going to ask.

STATE COM. PRIEBE: Well, while you're thinking can I ask one?

CHAIRPERSON VERBURG: Go for it.

STATE COM. PRIEBE: Perhaps a follow up on the chairman's question. And that is one of, you know, certainty. If you make a deal, will you stick by the deal? And not to suggest that you wouldn't, however it was suggested that in '93 there was a policy against annexation and in '05 that policy was changed. What was that rationale?

MR. KERBYSON: Actually the policy was that the city would take a neutral position. They would come to a meeting like this and say nothing on behalf of the city to support or deny the Petitioner's request. That was done to facilitate development with the townships so they would know if we did a project, we wouldn't then run out and support the next lot to it annexing. And it was successful. Again, we have three very good working relationships with the townships—the three

townships that surround the city. That was rescinded in '05. The biggest reason is economic development. We all know that we're in a state that is under significant pressure. And we have an over 10-percent unemployment rate in Lapeer County. Many people live here and work elsewhere. Well, we want them to work here if we can. And if we set back and took a neutral position, theoretically we would lose over and over opportunities for development. And we don't feel that we should take that position any longer.

CHAIRPERSON VERBURG: A number of years ago we annexed-none of the members here, I don't think were from the
Commission, so they're not party to that, but a number of
years ago we annexed a fairly large parcel on the--what would
that be--the southeast side of the city. And that was--

MR. KERBYSON: [talking over] bring that up.

CHAIRPERSON VERBURG: That was subsequently-subsequently detached.

MR. KERBYSON: Right.

CHAIRPERSON VERBURG: Now, let me ask you, if we hadn't went through the grief as Commissioners to annex any or all of this, would your city voters support it or would they not?

MR. KERBYSON: Absolutely, I'm sure they would.

CHAIRPERSON VERBURG: They wouldn't detach it?

MR. KERBYSON: Again, that was a scenario where we took a very neutral, no positive, no negative comments went to the

press or the papers of the citizens from the city. And it ended up detaching. Since then, we have, I believe, Mr. Howell--

UNIDENTIFIED SPEAKER: Haven't we re-annexed a portion of that property?

MR. HOWELL: Yes, I could comment on that because I was the attorney involved in that annexation.

MR. KERBYSON: At the township.

MR. HOWELL: At the township and we detached their property.

CHAIRPERSON VERBURG: Are you proud of that?

MR. HOWELL: We are proud of that, real proud. In the meantime, the wars have ceased. We have a new city manager, a change in the city commission, a change in the township.

We're working cooperatively together. We hope not to have any more of those kinds of fights. But I might also comment, the reason for the policy, which is long before Dale became the city manager on the taking a neutral position, that was done because at that time we had negotiated some of these 425 agreements and we had some pretty good cooperation going. So they passed that as a good faith measure to assure the townships they weren't going to be aggressively seeking their property.

They re--repealed it in 2005. And frankly, it had nothing to do with Elba Township. We were beginning to

negotiate in Lapeer Township on a massive annexation. And I'm sure it was strategic on their part to say, we want to talk to you folks, but we're not going to leave all of our weapons at home. I believe that all worked out well. And Lapeer Township and Lapeer City negotiated amicably.

CHAIRPERSON VERBURG: Okay. Earlier in the discussion someone suggested that there was a 425 agreement that gave the township a 1.4 mils in perpetuity.

UNIDENTIFIED SPEAKER: 1.2.

CHAIRPERSON VERBURG: 1.2 mills in perpetuity.

MR. KERBYSON: It's--I'm sorry, you're confusing me.

There is a 425 agreement that provides 1.2 mils. And the--the proposal that we originally made or that we negotiated to in this project was to provide 1.4 mils on this petition to property for--in perpetuity. And that was negotiated by three members of the Township Board and members of the City Commission and the mayor and myself. I think it was a very excellent result. It was more than what we wanted to pay. We were both equally unhappy at that time. But when the Township Commission took it back to their Board, it was turned down and then a new offer was generated, which was in my opinion, was not even in the solar system of the one we were talking about.

CHAIRPERSON VERBURG: Well, did your counsel suggest to you that in perpetuity would be inappropriate for a 425 agreement clause?

MR. HOWELL: A, I'm not their counsel. I'm the township attorney in the other township, but let me address that. It was not a 425 negotiation. It was an Act 108 negotiation.

UNIDENTIFIED SPEAKER: Oh, okay.

MR. HOWELL: An inter-local agreement combined with a proposed resolution of annexation. That's what we ended up doing in Lapeer Township and I'm sure as the Commission can appreciate, because they've been on this issue a lot of years, usually you're talking 50 years for a 425.

CHAIRPERSON VERBURG: Yeah.

MR. HOWELL: This was a heck of an offer to go on perpetuity.

CHAIRPERSON VERBURG: Well, let me ask you, have you-are you familiar, Mr. Gildner, with the--the 108 agreement?

MR. GILDNER: In general, yes, but in--in relation to this specific project, no.

CHAIRPERSON VERBURG: That—does that provide any common ground for the two jurisdictions to work out an arrangement for water, sewer and, you know, so what I'd like to say is growing cooperatively rather than competitively?

MR. GILDNER: Well--

CHAIRPERSON VERBURG: Would you all be willing to sit down and talk about possibilities in the application of that kind of agreement?

MR. KERBYSON: If--if I can be blunt, Mr. Chairman--

CHAIRPERSON VERBURG: You can be.

MR. KERBYSON: I think the only reason we would be hearing that from the township now is they potentially feel it might not go their way. When we were sitting at the table and we were being amicable and moving forward, they refused to be—in the end they refused to use—I can't think of the term. But they weren't—they weren't playing fair. Now we're at a point where we are in front of the Commission and it may not go their way. Now they're willing to talk about it. As recently as December, as Mr. Howell pointed out, said they didn't wanna negotiate. They didn't wanna reopen negotiations. They wanted to wait and see what the Boundary Commission did.

CHAIRPERSON VERBURG: Well, as you know--

MR. GILDNER: If I could address that issue. If you remember, the city manager in his rebuttal when he was pointing out the property and [unclear] to a 425 and he pointed to this property and said, there will be no 425 agreement on this project because of the perceived problems to the property itself. And I think that really lays out very clearly the city's position. They are blaming the township for walking away from the bargaining table when they had no interest in the first place in negotiating at all. And it's that comment that came at the very end that I think made that point clear.

CHAIRPERSON VERBURG: Well, let--

MR. HOWELL: Can I interject? I mean, we're the people in the middle here. These guys don't like each other. My church client and my property are trapped. To send it back to these folks to negotiate is like sending us to purgatory.

CHAIRPERSON VERBURG: I thought--I thought it was a protestant church.

MR. GILDNER: On behalf of the township, let me just make it crystal clear. The township is interested in sitting down and talking to the city about a 108 and 425 or any other statutory provision that may make this work. We are interested in--I wanna eliminate all doubt about that.

UNIDENTIFIED SPEAKER: [inaudible]

MR. GILDNER: I'm sorry?

CHAIRPERSON VERBURG: Well, let me suggest that I don't wanna string this out. I--I don't wanna postpone our decision forever. On the other hand, Mr. Howell, if you're a great negotiator, and you teach--you give the book <u>Getting to Yes</u>, <u>How to Negotiate Without Giving In</u>, do you give that to your--if--if you would, you've got--you've got two months at least. You can get that book, by the way, from Harvard University. It's not from Michigan State. But if you can, you know, we've got--we've got--it will be two months before we come to an adjudicated session just by the obligations the law gives.

If--if the parties are willing to sit down and discuss this in a--in a productive manner, they could then communicate with us and ask us for another 30- or 60-day postponement. But I don't wanna--I don't know where it's gonna go, but I wanna--I don't want it staying out, you know, in perpetuity either. That's a good word. We won't string it out in perpetuity. But that's an opportunity and I would like you to take a look as a group on 108, because the City of Marshall--not Marshall, what is it? One of the cities in Michigan that begins with M.

UNIDENTIFIED SPEAKER: Mason?

CHAIRPERSON VERBURG: That's not the--

UNIDENTIFIED SPEAKER: No?

CHAIRPERSON VERBURG: No, it's--

UNIDENTIFIED SPEAKER: Somewhere by Grand Rapids?

CHAIRPERSON VERBURG: Midland. Midland. Midland is kind of a model on that one. Charlotte has a--has an agreement such as that. And what I like is it gives you a whole lot of opportunity to share costs and benefits of that agreement and doesn't get you into the tentative status of the 425 agreement that--that often applies. So just one other question. And that has to do with someone said that your city plan was out of date. Is it out of date?

MR. KERBYSON: It is very old. And we just accepted bids to redo our master plan.

CHAIRPERSON VERBURG: Okay. So you're working on that.

MR. KERBYSON: Oh, yes.

CHAIRPERSON VERBURG: Commissioners, any other questions?

STATE COM. JAMNICK: I have one. The reason for my question earlier about the cost of the people hooking into the public utilities in the future comes from a challenge that we have in Washtenaw County where an agreement that happened between the City of Ann Arbor and Ann Arbor Township and Scio Township. We are currently seeing people face such an exorbitant cost to hook into those utilities. And apparently, it was part of the agreement that they would do that. And it's just becoming horrendously expensive for people. So if that's where we're going to go, I think there needs to be some consideration of that into the future when you're looking at some of these properties.

CHAIRPERSON VERBURG: Okay. The restaurants are about to close, but--

MR. BEYER: Can I say a--

CHAIRPERSON VERBURG: You can make a comment.

MR. BEYER: I wanna say one thing. I talked to Ferguson this week. He informed me that there's a special at this time at \$100.00 a foot to connect to the city sewer water. And that could go up to \$1,600.00 a foot. You [inaudible] didn't insinuate that.

CHAIRPERSON VERBURG: Would you talk to him about that

after the meeting?

MR. BEYER: It has to do with the rate we were talking about.

CHAIRPERSON VERBURG: What is your name?

MR. BEYER: Don Beyer.

CHAIRPERSON VERBURG: Bever, B-Y-E-R?

MR. BEYER: B-E-Y-E-R.

CHAIRPERSON VERBURG: Okay. Yes.

UNIDENTIFIED SPEAKER: When I connected to city sewer, I paid \$12,600.00 for one building and \$5,000.00 for the second building. And then plus the cost of getting the sewer about 100 feet possibly down to the manhole. Then the cost of going to the building. It was exorbitant. If the sewer and our water lines are going to be brought in front of an individual's piece of property, what will the assessment for the water lines being extended? That's the question that I have.

CHAIRPERSON VERBURG: Well, you have to compare that with what is the cost to replace your septic system. And those are not cheap these days. I don't know if you've checked those out, but that's part of the trade off--

UNIDENTIFIED SPEAKER: I know what they--

CHAIRPERSON VERBURG: --and we're not gonna do--we're not gonna do the study on those for the Commission, but I do understand it will be costly no matter which way it goes.

1	I think weoh, yes, you had your hand up.
2	MR. GASSLE: Yeah, can I say something?
3	CHAIRPERSON VERBURG: What is your name?
4	MR. GASSLE: I'm John Gassle [phonetic]. I live on
5	Arlington Park. I'm one of the closest houses
6	UNIDENTIFIED SPEAKER: Talk in the mic, John.
7	MR. GASSLE: I'm one of the closest houses to the church.
8	CHAIRPERSON VERBURG: Across the street or
9	MR. KERBYSON: Somewhere in here.
10	MR. GASSLE: Rightright down below, right
11	CHAIRPERSON VERBURG: Oh, okay.
12	MR. GASSLE: Okay. Now, we got our state equalization
13	the other day that dropped our house \$14,000.00
14	CHAIRPERSON VERBURG: There's the man right there.
15	UNIDENTIFIED SPEAKER: That's this area.
16	CHAIRPERSON VERBURG: Pardon me?
17	MR. GASSLE: Does that got something to do with this
18	whole junky business that we're in?
19	CHAIRPERSON VERBURG: Well, let me suggest to you it
20	probably doesn't because the assessor
21	MR. GASSLE: Our lot line and the church is a common lot
22	line. Okay. So if theywe moved thereI've been there 50
23	years. I never did get thatthat first letter that went out
24	for some reason or another. We bought it because it was in a
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my lot line, you put a road in there beside that, it's gonna 1 2 cut my property about 50 percent. 3 CHAIRPERSON VERBURG: Isn't that what you want, is your 4 assessment to go down? 5 MR. GASSLE: I don't want my assessment to go down, no, I don't--6 7 CHAIRPERSON VERBURG: I thought--MR. GASSLE: --it was 88,000.00 now it's 74,000.00. 8 9 went down--it went down \$14,000.00. That's--UNIDENTIFIED SPEAKER: I thought you said it went up. 10 11 MR. GASSLE: No, no, it went down. This whole junky 12 business--UNIDENTIFIED SPEAKER: We live two miles away from the 13 church and ours went down \$10,000.00. We live on the golf 14 15 course and ours went down \$10,000.00. 16 MR. GASSLE: What do you mean you live two miles away? UNIDENTIFIED SPEAKER: Our house. My house is two miles 17 18 away from the church and it went down, too. 19 CHAIRPERSON VERBURG: Why don't you pick up your 20 conversation after this. 21 MR. GASSLE: I can't understand why you need more water 22 and more sewer, you know, you knew that when you built the 23 place. 24 CHAIRPERSON VERBURG: You've gotta talk to the 25 Commission, not to teach other.

1	I think what I'll do without objection from the
2	commissioners is to declare this meeting adjourned. Is there
3	objection?
4	[No Verbal Response]
5	CHAIRPERSON VERBURG: Hearing nonewell, Ms. Holmes
6	wants me to say thank you.
7	UNIDENTIFIED SPEAKER: We're paying the bill.
8	CHAIRPERSON VERBURG: And for all of you
9	[Talking Over]
10	CHAIRPERSON VERBURG: This meeting is adjourned. And you
11	all have a good evening.
12	(Meeting Concluded)
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STATE OF MICHIGAN)
) ss
COUNTY OF INGHAM)

I HEREBY CERTIFY that this transcript, consisting of 104 pages, is a complete, true and correct transcript of the proceedings recorded on Thursday, March 27, 2007 in Lapeer, Michigan in the matter of Docket Number 06-AP-02, the proposed annexation of certain territory in Elba Township to City of Lapeer.

JoEllen Byrne, CER 7242

DATED: April 17, 2007